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AUTHOR Williamson, Linda, Ed.
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ABSTRACT

This guide contains information to facilitate the teaching of consumer education at all levels. It focuses on making students more aware of how the economic structure functions and the forces that help shape the free enterprise system. Materials are divided into three sections by educational level: K-3, 4-6, and 7-12. Concepts covered include the economic system: roles, rights, and responsibilities: consumer influences: money management: insurance: credit: purchasing: quackery, fraud, and deception: consumer assistance and protection: health, education, and leisure: and career decisions. The section for grades 7-12 includes all the above topics: the other two sections cover selected topics. Information on each concept is organized into this format: goal, outline of content with corresponding student objectives, activities, evaluation, and resources. (YLB)

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ED 203164

Consumer Education

A Guide For Teachers To Motivate Students Toward Improved Consumer Education

U.S. DEPARTMENT OF HEALTH,
EDUCATION & WELFARE
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INSTRUCTION

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STATE-FEDERAL

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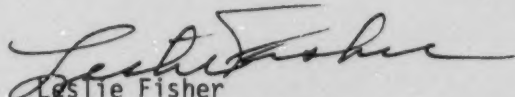
Foreword

Consumer Education permeates the entire American society. Since we are all consumers, there is a need for guidelines and teaching materials in this area. Historically, Consumer Education has been a neglected area in many of our nation's schools. The growth of the industrial system in our country has brought this imperative need vividly into the public view.

The major thrust of this guide is to make our students more aware of how our economic structure functions and the forces which help shape the free enterprise system.

It is hoped that the information contained in this guide will facilitate the teaching of Consumer Education to the students of Oklahoma. Consumer Education is vital not only for the individual, but for the economy as a whole.

The Oklahoma State Department of Education expresses its deep appreciation to all the contributors and members of the committees for their efforts in producing this material.


Leslie Fisher
State Superintendent
of Public Instruction

Philosophy

Consumer Education is a process whereby the individual develops concepts, understandings, and skills necessary for sound decision-making procedures required for everyday living. These procedures will help the student achieve maximum utilization of, and satisfaction from his/her resources while acting responsibly within the framework of a free enterprise system.

Educators must organize Consumer Education programs that will assist the student in formulating sound decision-making procedures. Educators must also continually strengthen their programs at all levels to provide the student with relevant learning opportunities.

Consumer Education is a cross-disciplinary and cross-cultural subject. Opportunities abound to fuse Consumer Education naturally into all fields of study; however, a Consumer Education course may be necessary to strengthen concepts and to further develop basic economic skills.

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Virginia Bonner
Center for Consumer Services
(Stillwater)

Patricia Curtis
Moore High School

John Frost
Merrill Lynch

Gary Green
University of Oklahoma

Alberta Harmon
State Department of Health

Charles Hull
Oklahoma State Association
of Life Underwriters

Gloria Kelley
Consumer Credit Counseling
Service

Claudia Kniffin
Social Security Administration

John McClure
Oklahoma Department of Consumer
Credit

Ellen McKown
Oscar Rose Junior College

Gary Rosenamer
Independent Insurance Agent's
Association

Nevin Starkey
State Department of Health

Lorene Vaut
Lindsay High School

ILLUSTRATORS

J. J. Chambless, III

William C. Fulmer

EDITOR

Linda Williamson

TYPIST

Melodie Fulmer

STATE DEPARTMENT OF EDUCATION

John Folks
Executive Director of Instruction

Leonard Bates
Deputy Director of Curriculum Services

Kay York
Administrator of Curriculum Services

Mary Anderson
Business Education Specialist

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University of Oklahoma
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Consumer Credit Counseling Service
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Oklahoma Department of Consumer Credit
Oscar Rose Junior College
Independent Insurance Agent's Association
Lindsay High School
Merrill Lynch

Philosophy Committee

Randy Hasley
Council Grove Elementary (Western Heights)

Terry Horton
Central State University

Earlene Parr
Midwest City Schools

Loy Prickett
University of Oklahoma

DeRutha Richardson
Muskogee High School

Jim Thomas
Blackwell Junior High School

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Lin Brown
Sand Springs Public Schools

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Central Elementary (Idabel)

Jimmie McGuire
Charles Page High School (Sand Springs)

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Choctaw High School

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Bray High School

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Arzetta Weber
Coronado Heights Elementary (Putnam City)

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Marjory Williams
Sand Springs Public Schools

Charles Womack
Gray High School (Idabel)

Editing & Writing Committee

Carolyn Cury
Mustang Elementary School

Melody Davis
Overholser Elementary (Putnam City)

Zelma Faulkner
Central State University

Terry Horton
Central State University

Ann Miruski
Putnam City High School

Howard Potts
State Department of Education

Loy Prickett
University of Oklahoma

Jessie Reinhart
Cherokee Elementary

Carla Smith
Mustang High School

Thomas Williamson
Choctaw High School

Harold Wilburn
Vocational Education Division
State Department of Education

Odessa Wycoff
Oklahoma City Public Schools

DeVon Yoho
Oklahoma State University

Linda Young
Newcastle High School

Final Editing Committee

Leslie Anderson
Oscar Rose Junior College

Wilma Bagwell
Carver Middle School (Tulsa)

Leon Bewley
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Erma Evans
Carl Albert High School (Midwest City)

Rosa Belle Hess
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Howard Potts
State Department of Education

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University of Oklahoma

Dempsey Scott
Choctaw High School

Keith Stone
State Department of Education

Greta Wheeler
McAlester Public Schools

Gladys Whetstine
Education Service Center (Tulsa)

Constance Van Scoy
Northeastern Oklahoma State University

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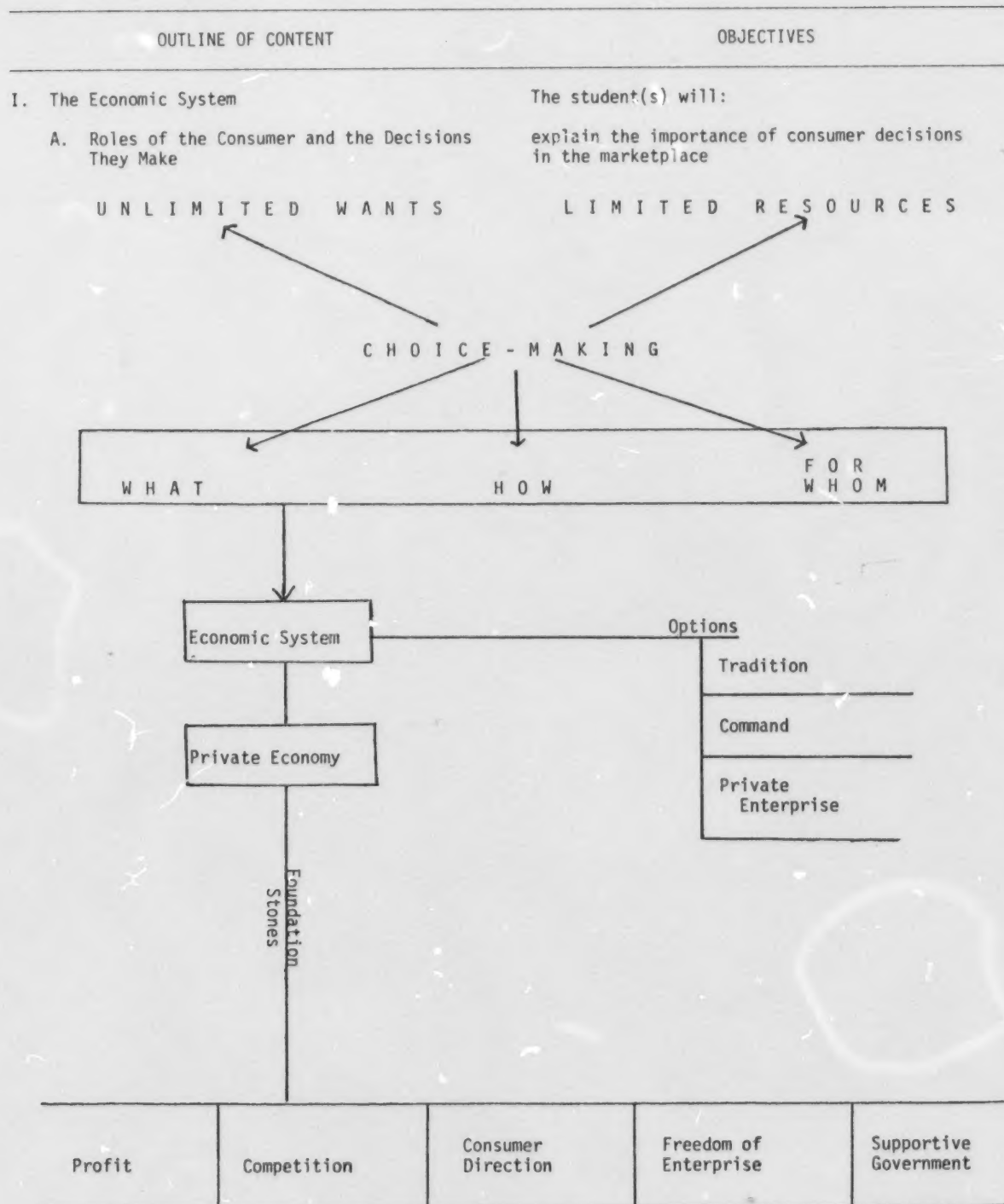
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THE ECONOMIC SYSTEM

GOAL: To identify how certain decisions are made in a private enterprise economy.



ACTIVITIES

Have the students make a list of consumer items in local stores they would like to purchase; also, they should make a separate list of items they would not care to purchase with their scarce dollars. From this activity students should realize that consumer purchases signal the need to increase or decrease production of specific goods or services. (Approximately 65 percent of all expenditures in the economy are made by the consumers.)

Cut pictures from catalogs and magazines that illustrate wants and needs.

Develop a chart illustrating resources.

Have the students list all of the items they would like to buy after school. Assign by way of a drawing, the amount of money each student will have. Ask students to determine how many of the items they can purchase. Discuss why some could purchase more than others.

The teacher will share with the class two activities they must choose between for the last half hour of the day. Discuss why a decision must be made because of a scarcity of time.

Divide the class into two groups and assign each group a different way to produce a product; for example, pumpkins.

Method 1: Trace and cut out. (Assembly line method)

Method 2: Fold and cut out. (Individual production method)

At the end of 15 minutes, count the number of pumpkins produced by the separate methods. Ask students to decide which method was the most efficient.

State the following hypothetical situation for the students: Family A and Family B both want an electronic game. Family A has \$50 to spend and Family B has \$100. The electronic game costs \$85. Discuss why Family A cannot purchase the game because of limited income. Point out that since Family A cannot purchase the game, it was produced for Family B.

The teacher will read and discuss a story about the life of a student in a private enterprise economy, command economy, and traditional economy.

Have students role play the roles of the consumer; consumer, borrower, and saver.

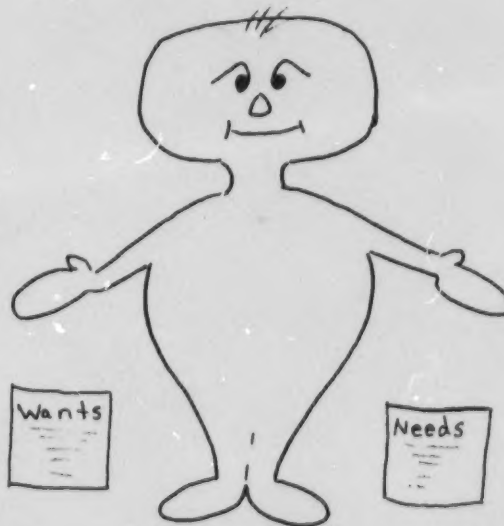
EVALUATION

Students will explain how their spending tells the economy what to produce.

Have students list the three main categories of resources (natural, human and capital resources), and draw a picture of an example of each.

Have students complete the open-ended sentence: "I cannot have everything I want because _____."

List ways to conserve time.



Have students draw a picture of a student involved in some activity which depicts a private enterprise economy.

The student will correctly identify pictures of consumers in their various roles.

ACTIVITIES

Tell or write a story "What I Would Like For My Next Birthday." Compare responses.

Discuss the various ways one could spend \$5, giving reasons for the decisions. Discuss values that were important in the choice.

Discuss the terms: goals, wants, needs, and choices.

Act out situations having to do with making choices.

Discuss things that influence one's choice (for example, television).

Tell about purchasing an item that made you happy or unhappy. Decide what you would do differently next time.

Have students discuss the immediate wants of their families and ways to acquire them.

Discuss the terms: salaries, interest, rent, profit, and emphasize how some households earn income from other sources.

Draw pictures of goods and services the students use; identify who produces them.

EVALUATION

Have students choose between playing with a friend and watching television (time is scarce). Ask the student to clarify the values involved in the decision.

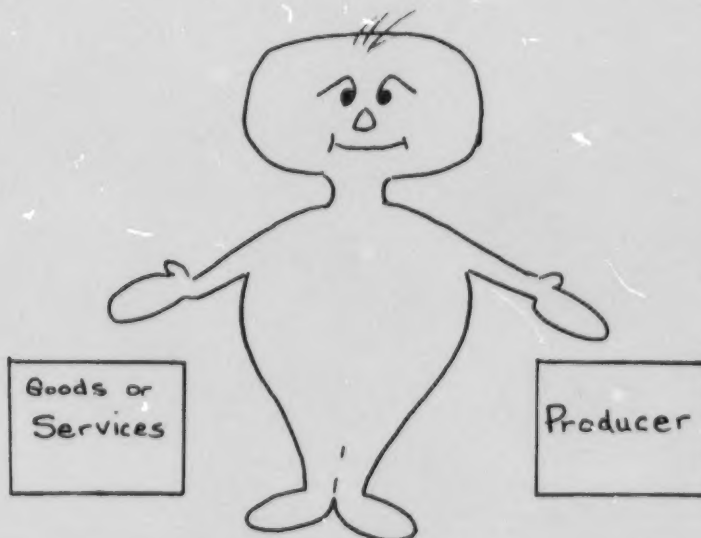
From a list of three items: Balloon, candy, book, have students select one to buy and be able to justify the purchase.

Have students list the immediate wants of their families.

Have students list sources of income.

List several forms of income and have the students select the ones that would fall under the heading of wages.

Shown pictures of goods and services, ask the student to name the producer.



RESOURCES

Senesh, The Brown Family -- Families at Work, SRA.

Our Family Works Together, Coronet Films.

Maher and Symmes, Ideas About Choosing, Franklin Watts, Inc.

The How and Why Library, "Saturday Shopping," "To Market - To Market," "Choosing Shoes."

Making Decisions, McGraw-Hill Films.

Davidson and Kilgore, The Childs World of Choices.

Families and Social Needs, Laidlaw.

Families and Their Needs, Silver, Burdett.

Wilson and Warr, Life on Paradise Island.

Senesh, Our Working World, SRA.

Maher, Learning About People Working For You, Franklin Watts, Inc.

Ungerer, The Three Rubbers, Livermore and Knight, Inc.

Anderson, The Swineherd, Harcourt Brace.

Economics: The Dismal Science, Ellenberg.

Comparing Ways and Means, American Book Company.

The Making of Our America, The Metropolitan Community, Allyn and Bacon.



ROLES, RIGHTS, AND RESPONSIBILITIES

GOAL: To understand that the producer and consumer have rights and responsibilities to each other.

OUTLINE OF CONTENT	OBJECTIVES
I. Roles, Rights, and Responsibilities	The student(s) will:
A. Roles	identify the roles of family members.
1. Income earner	
2. Buyer	differentiate between producers and consumers.
3. Saver	
4. Borrower	explain why some goods and services are produced by the family rather than produced by businesses and/or government.
5. Voter	
6. Taxpayer	
B. Rights and Responsibilities	
1. Right to safety	be able to detect unsafe features and aspects of goods and services.
a. Cost to individual and society	
b. Responsibilities	
(1) Examining merchandise	
(2) Following use and care instructions	recognize the importance of following use and care instructions.
2. Right to be informed	explain why the business person advertises and how the public may benefit from advertising.
a. Product safety	
b. One's rights	
c. Sources of assistance	list sources of information about their rights and sources of assistance.
3. Right to choose	understand that they have the right to make choices, but they are responsible for making selective choices.
a. Responsibilities	
(1) Being selective	
(2) Recognizing income limitations	explain why limited funds are available to satisfy their wants and needs.
4. Right to be heard	be aware of agencies that handle complaints:
a. Responsibilities	
(1) Voicing complaints	1. Store that sold the product
(2) Voicing satisfaction	2. Manufacturer of the product
	3. Better Business Bureau
	4. Department of Consumer Credit.
5. Right to be protected	
a. Responsibilities	
(1) Being informed	be informed of existing laws and standards that protect the consumer.
(2) Respecting laws and standards	

ACTIVITIES

Survey the students to see how many roles various family members perform.

Play Producer-Consumer Game. As the teacher identifies different production and consumption situations, each student holds up a P or C card which the teacher has provided. For example, making cookies for a bake sale (P); going with mother to get new school shoes (C).

Discuss who can best provide goods and services, i.e., fire services for the household.

The teacher will lead a discussion using the following questions: How could you make your bicycle safer? What would it do to the cost? What other goods and services could be made from the resources used to make your bicycle safer? (The other goods and services are the costs to society of a safer bicycle.)

Ask the student to write a jingle about an unsafe product.

Bring a toy to school and examine it to determine if it is safe or unsafe, paying special attention to electrical toys, sharp corners, broken pieces, and small items which might be swallowed.

Students make recommendations for use and care of physical education equipment. Discuss the cost of replacing equipment.

Ask a business person to explain why he/she advertises.

Explain why toys with certain features cost more (batteries, clothing, replaceable parts, etc.).

Bring ads of products and discuss which product they would rather have and justify this decision.

Ask students to separate into lists of needs and wants, the items from a list of goods and services. Select those that they can purchase with their limited income. The total cost of items should not exceed their income.

Give different groups of students different amounts of money and have them select items from a catalog with the funds. Discuss why some groups are better off than others. Discuss additional items they might have had if they had more money.

EVALUATION

Oral responses on the results of the survey.

From a list of production and consumption situation, ask the student to identify the situation.

From a teacher made worksheet, the student will select who best provides families with: stop signs - (government); go to bed at 8 o'clock - (family); keep an army - (government); sell groceries - (business)

Explain why a product may not be made safer.

Ask the students to list reasons why following use and care instructions saves money.

Ask students to list reasons why businesses advertise and how the public benefits.

Have students to write or tell a story explaining how merchandise is damaged and who pays for it.

Show pictures of two products. Ask the students to indicate the one that costs more and explain why.

Make a bulletin board of wants, needs, and their costs. Students will purchase one item from the needs list and one item from the wants list not to exceed \$3. Justify choice.

ACTIVITIES

EVALUATION

Construct a group letter to one of the consumer agencies in regard to a product purchased.

Ask students to describe a situation which demonstrates consumer rights.

Ask the students to bring an unsatisfactory product. Divide class into groups and ask each to determine and follow an appropriate complaint procedure.

Have students share why a product disappointed them.

Contact the Better Business Bureau and the Department of Consumer Credit for materials that will be discussed with the students relative to consumer protection. (Better Business Bureau, 606 North Dewey, Oklahoma City, OK 73102; Department of Consumer Credit, Jim Thorpe Building, Room C-82, Oklahoma City, OK 73105.)

Role play purchase of item, failure of product to be as advertised, and reporting to the proper agency.

HEALTH, EDUCATION, AND LEISURE

GOAL: To understand the importance of health, education, and leisure to one's physical and emotional well-being.

OUTLINE OF CONTENT

OBJECTIVES

I. Health

The student(s) will:

depict the importance of costs of health, education, and leisure.

II. Education

III. Leisure



RESOURCES

Economics for Primaries, film-strips and cassettes, 2 E. D. Production, P. O. Box 1608, Burbank, California 91507.



ACTIVITIES

Have someone from the county health services or the school nurse speak to the class on the importance of maintaining good health and how this contributes to income earning, learning, and physical and emotional well-being.

Divide a piece of paper into one-half. Draw pictures depicting work on one side and leisure on the other.

Have a doctor, school nurse, or county health service worker discuss with students the importance of regular checkups.

Discuss with the class the importance of education and how taxes help finance education.

Make a list of things that the students consider work and play. Make a list of things that the students consider work and play for their parents. Compare the two lists.

List five ways of spending leisure time that could contribute to income earnings.

EVALUATION

Have students write or give oral reports explaining the importance of and costs of health, education, and leisure.

List leisure activities and any costs involved for equipment and/or fees.

MONEY MANAGEMENT

GOAL: To understand the need for money in an economy.

OUTLINE OF CONTENT	OBJECTIVES
I. Money Management	The student(s) will:
A. Money	explain money as a medium of exchange.
1. Uses of Money	
a. Medium of exchange b. Measure of value c. Store of value	
2. Types of Money	recognize the different types of money.
a. Checks b. Currency c. Coins	
B. Budgeting	be aware of the major components of a budget and its advantages.
1. Establish Goals	
a. Immediate (now) b. Intermediate (1-12 months) c. Future (longer)	
2. Determine Income	
a. Salary b. Interest c. Other	
3. Determine Expenses	
4. Compare Income and Expenses	
a. On annual basis b. Adjusted to monthly basis	
5. Complete the Budget	
C. Savings	recognize the reasons for saving and understand ways to save.
1. Ways to save	
2. Rate of return	
3. For future consumption and unexpected expenditures	
D. Banking	be aware of the services of a bank and describe the checking account service.
1. Service of a Bank	
a. Checking accounts b. Savings accounts c. Loans d. Safety deposit boxes e. Financial advice f. Other.	



ACTIVITIES

With the parent's permission, students may bring an unwanted toy to school. They will exchange toys during a "barter session". Explain that barter was used before money and is still used in some instances. Discuss the disadvantages of barter.

Set up an activity center in which play money is used.* It can be a grocery store, toy store, or play restaurant. The activity will be more meaningful if students earn play money by doing classroom chores. To extend this activity, add a bank. Pay students by check and let them deposit their money in the bank. Pay students interest on their savings account.

*Children can make their own play money from coin-rubbings. Coins are placed beneath construction paper then a pencil lead is rubbed across the coin-covered paper making a copy of the coin.

Give students a hypothetical weekly budget allowance of \$10. Students can budget their allowances, deducting their obligations and then planning how they will spend the remainder.

Provide students a work sheet giving sample family income and listing fixed expenses a family would have (housing, utilities, food, and installment loan payments). Have students add expenses; subtract them from the income and plan for spending the remainder.

After planning the family budget, discuss with the class the advantages of budgeting.

Ask students to draw a picture of a good that they acquire only by saving.

Continue the budgeting activity above. Discuss with students reasons for saving, the ways individuals save, and different rates of return.

Prepare the students for a field trip to a bank. When there, ask a bank officer to explain how the bank earns income.

Show students a blank check and discuss checking accounts. Explain that a check is a "message" to the bank asking the bank to transfer part of your money to the party on the check.

EVALUATION

Purchase objects in a classroom play store and give correct change

Administer teacher made test on coins, currency, and checks.

Collect and evaluate student budgets.

Ask students to write a short paragraph or tell orally the advantages of budgeting.

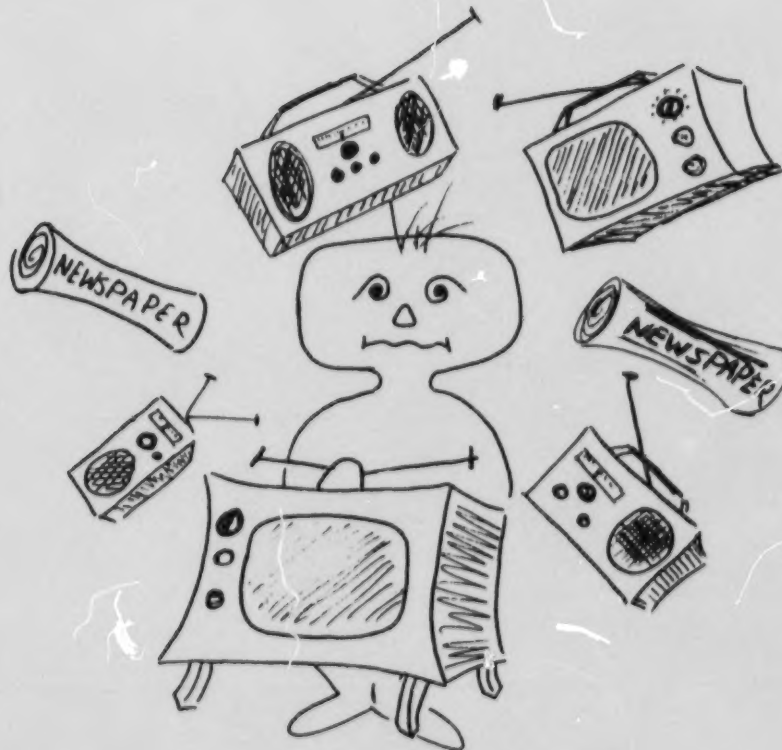


Tell what a bank does.

CONSUMER INFLUENCES

GOAL: To identify ways consumers are influenced.

OUTLINE OF CONTENT	OBJECTIVES
I. Consumer Influences	The student(s) will:
A. Seasonal Appeals	become aware of seasonal influences.
B. Advertising	understand why television producers run the kind of advertising they do on Saturday morning television.
	become aware of the role advertising plays in the production of television and radio programming and also most newspapers and magazines.
	understand that the cost of advertising is usually included in the selling price of goods and services.
	become aware of how advertising influences the individual.



ACTIVITIES

EVALUATION

Tell open-ended stories to illustrate the influences of others on our buying habits.

During holiday seasons, you see new toys demonstrated on television. Does this make you want more toys?

Make a survey of class wants. Determine which are brought about by advertising.

Have everyone in the class invent an imaginary product or service. Ask how they would go about informing consumers of their new product or service. Have students write slogans and plan an advertising campaign for their products. List the possible means of advertising (billboards, direct mail, free offers, and prizes in cereal boxes, etc.). Discuss why this would be helpful for the consumer.

Discuss the following question: "Who pays for commercial television, radio, newspapers, and magazines?" (Those who buy advertised products, in the case of television and radio. Subscribers share the cost of the newspaper and magazines.)

Review ads and commercials. Discuss the following questions: "Did they tell you about the product or did they promise to make the consumer feel pretty, loved, or envied?" "Have you ever been disappointed by a product that did not live up to expectations?"

Have students bring in empty cereal boxes. How many purchased the box because of prizes offered? Bring in packages of non-name-brand cereals and compare prices.

Have the students observe commercials to make them aware of the impact of advertising and its influences on their buying habits.

List some purposes of advertising.

Complete the sentence, "How I (as a consumer) may benefit from advertising"

Have students answer the following question: "Who pays for commercial television, radio, newspapers, and magazines?"

Have students compare two products as to the packaging and advertising costs.

Students will list commercials and tell how they are influenced by them.

RESOURCES

Consumer Power: Advertising, - film, BFA Educational Media, Santa Monica, California.

From Symbols to Psycho-Sell, - filmstrip, The Learning Seed Co.

Getting Down to Basics About Advertising - filmstrip, Proctor and Gamble Company

Writer, Carl P.; I Can Sell You Anything, Ballantine Books, New York, 1972.

Hatch, C. Richard, et al; Caveat: Consumer Education in Action, J. B. Lippincott Company, New York, 1974.

Paolucci, Beatrice; Faiola, Theodora; Thompson, Patricia; Personal Perspectives, A Guide to Decision Making, McGraw-Hill, New York, 1973.

Some Questions and Answers About Advertising, American Advertising Federation, 1225 Connecticut Avenue, N.W., Washington D.C. 20036

CAREER DECISIONS

GOAL: To understand that all careers are important to the well-being of a nation's economy.

OUTLINE OF CONTENT	OBJECTIVES
I. Career Decisions	The student(s) will:
A. Self Awareness	accept and respect his or her own uniqueness and how this relates to career choice.
B. Career Awareness	identify different careers and some contributions each makes to the community.
C. Careers	
1. Providers of Goods and Services	be able to match a list of career people to the goods or services they provide.
2. Choosing a Career	
D. Employability	be able to report on the career he/she studies, stating the function and the importance of the career.
E. Income Awareness	explain why learning basic skills such as reading, following directions, writing, computing, communicating, and the ability to get along with others are necessary for all types of jobs.
	become aware that most earned income is derived from working and this income can be used to meet wants and needs.



ACTIVITIES

Make a "ME" book by having students make tracings of hands and feet, draw pictures of their own pet; draw pictures of their own family, etc.

Have students express in a drawing what they like best about themselves.

Have students write stories of their tracings and pictures. Other stories may be written about:

1. What I like
2. What I dislike
3. Favorite things
4. What I want to be
5. I'm happy when
6. I'm sad when

Invite the school nurse to explain why he/she chose nursing.

Have students draw a picture of their favorite occupation and discuss whether or not it provides a good or a service.

Role play community helpers and explain how they help families increase their satisfaction.

Take a field trip to one of the services of the community.

Students will listen to the story of the "Little Red Hen" and discuss the relationship between the story and real work situations.

Have a student pantomime "What I would like to be" and have other students guess.

Read or have the students read about different occupations that provide goods and services in the community. Discuss what goods and services do for us.

Introduce the students to: Career Discovery Cards. Allow each student to read several cards and choose one the student wants to work with.

Have the students display the products of their activities (booklets, dioramas, skits, etc.). Also have students tell the function of "their" career and the importance of that career to all the American people.

Make a booklet on careers in your city, and write a paragraph about your favorite career.

EVALUATION

Have students complete the following:

1. "Because I like _____"
2. "I want to be _____"

Have students describe orally or in a drawing the contributions of one occupation found in their community.

Have the students list the workers in the story of "Little Red Hen".

Match a list of career people to the goods or services they provide and choose the one you would like to be.

Ask students to tell orally or in writing the function and importance of a career of their choice.

ACTIVITIES

Provide pictures or have each child bring a picture of someone working; have the class discuss the skills involved and how the person in the picture works with others.

Let each child select a job and have the child list the skills involved.

Set up an assembly line on making paper airplanes. Assign each student to a certain job. For an allotted time, pay them for their work.

Elicit from the students three things they want or need and have them determine their cost. Assign students to jobs such as delivering newspapers, lawn mowing, baby or pet sitting, which pay different amounts. Ask students to calculate how many hours they would have to work to acquire the listed items.

EVALUATION

Show the class a picture of someone working and have them identify the skills and ability to work with others that the worker needs.

Answer the question "What am I learning in school now that will help me in a career I will be doing in the future?"

Construct a problem in which students calculate in terms of hours worked the cost of a good.



RESOURCES

Career Awareness for Kindergarten, Sand Springs Public Schools, Sand Springs, Oklahoma.

Career Education Curriculum Guide, Indiana State Department of Public Instruction.

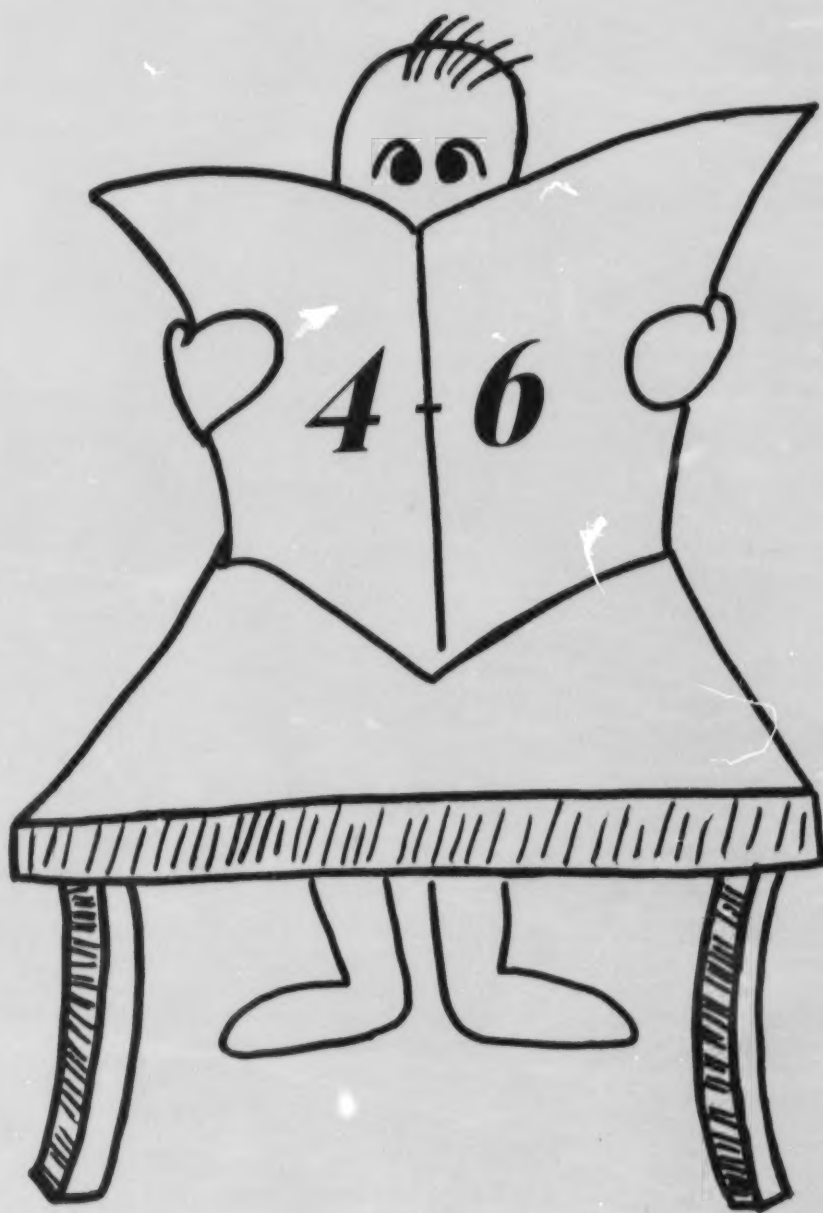
Economic Education Curriculum Guide, K-12. Chapter V. PP. 22-28.

The Metropolitan Community, Allyn and Bacon.

My Career Workbook, and Childrens Dictionary of Occupations, Career Futures, Inc., Books and Filmstrips on Occupations.

New York Life Insurance Co., Career Information Service, Box 51, Madison Square Station, NY 10010.





THE ECONOMIC SYSTEM

GOAL: To understand the need for economic systems, what they do, for whom, and how.

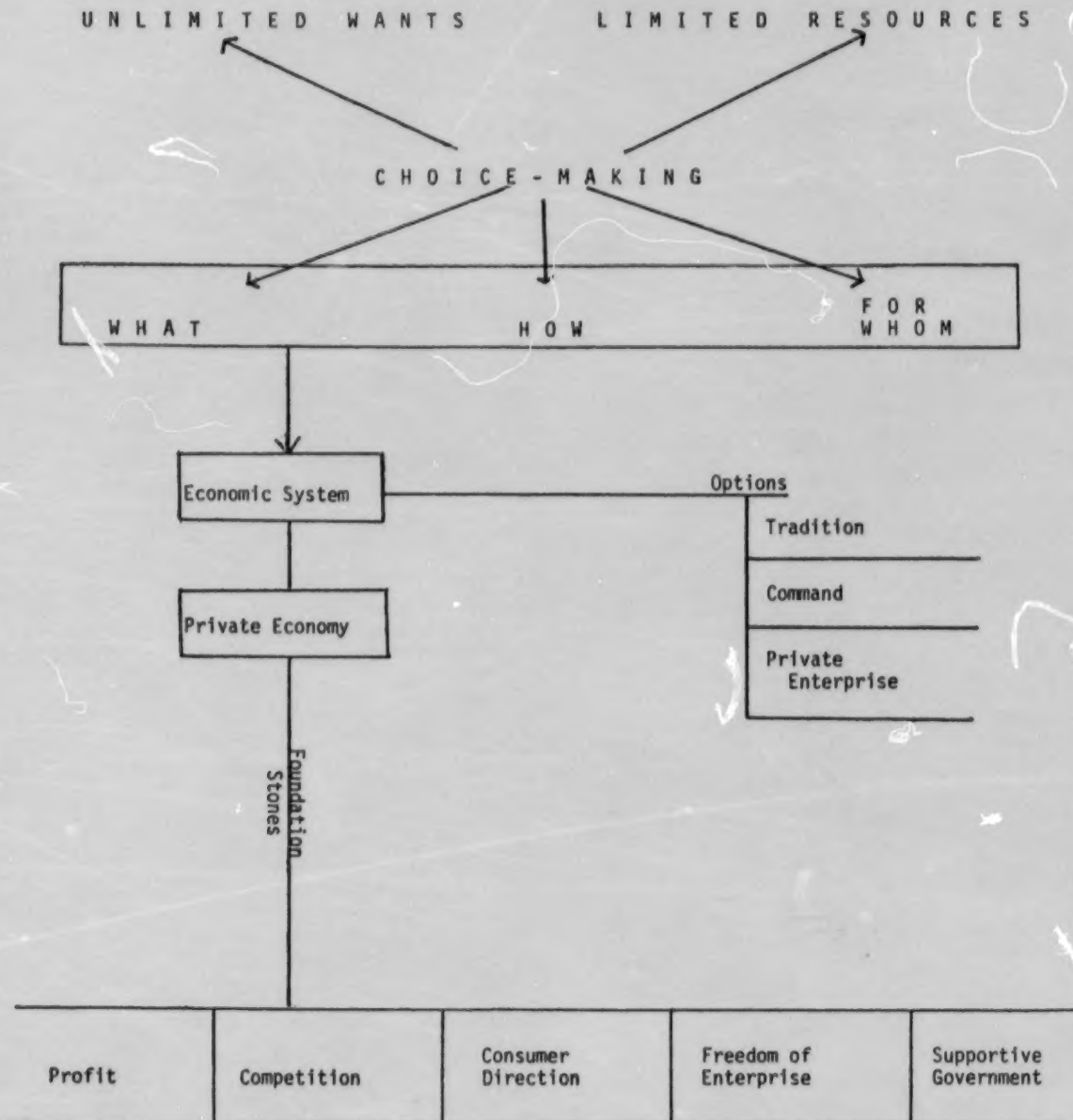
OUTLINE OF CONTENT	OBJECTIVES
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I. Economic Systems

A. Need for an Economic System

The student(s) will:

become aware that the freedom of individuals to make economic choices differ among economic systems--command, traditional, and private enterprise.



ACTIVITIES

Students will research information about the three types of economic systems with special attention to freedom of individuals. With this information, the students should categorize the major countries of the world under the appropriate type of economic system.

Invite a guest speaker who has knowledge of another country's economic system to compare and contrast it to the United States' economy.

Students may include these words and their definitions in their glossary: occupations, consumer, economic system, needs, products, resources, services, wants, capitalism, communism, mixed economy, private enterprise, socialism, and wages.

Students may make a list of their needs and wants. Discuss why we cannot have everything we want--we must make choices.

Students may discuss how early people provided for their own needs. List ways that early people were independent in ways that we are not today.

Have students discuss how some people do one thing better than another. After a discussion of specialization, students may:

1. Make a list of people they know who are specialized.
2. Develop art projects in which groups of students contribute one part of the finished product.

Choose a product such as an orange or candy bar, and on a long sheet of shelf paper, have the class make a list of each type of worker that helped bring the product to them. Then discuss what might happen if people quit consuming that product.

Students may include the following words in their glossary: Barter, income, scarcity, specialist, and specialization.

EVALUATION

Students will explain the major characteristics of the private enterprise system.

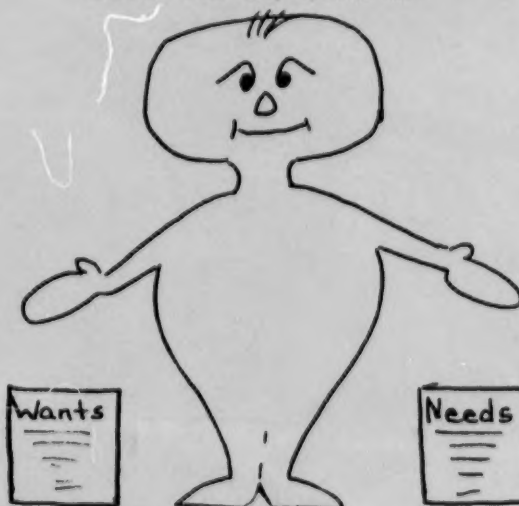
Students will explain how individual freedom and responsibility are enhanced by the private enterprise system.

Students will identify which of the following statements are true:

1. In a command economy, consumers decide what goods and services they obtain. (F)
2. In a private enterprise economy, the consumers get in the goods and services they want and can buy. (T)
3. In a traditional economy, people consume and produce according to custom. (T)
4. In a command economy, individuals decide what jobs they will do. (F)
5. In a private enterprise economy, government decides what goods and services will be produced. (F)
6. In a traditional economy, a farmer's son becomes a farmer, too. (T)

The students will answer the following questions:

1. Why do people work to earn income?
2. Why does everything cost?
3. What happens when each person specializes?
4. Do people depend more or less on one another when they specialize?



Students will match glossary words from the activity with their correct definitions.

OUTLINE OF CONTENT

OBJECTIVES

B. The Private Enterprise System and
Our Government

be able to identify goods and/or services
provided by government (public sector) and by
private enterprise (private sector).

be able to explain that in the United States
some goods and services are provided by
government because they are not or cannot be
supplied by private business



ACTIVITIES

EVALUATION

Students will begin to assemble their own economic notebooks in which they keep all their work, such as: glossary, lists, maps, reports, and evaluations.

Place on a bulletin board a large map of their county or the state of Oklahoma. As students research the resources of that area, have them draw small pictures on the map depicting the resources or the products that provide economic activities for their area.

Students may make a list in class of the way each student's family earns income; then the class may discuss:

1. The natural, human, and capital resources and management in the community that provide work for each family.
2. How many of them would live in the community if the resources were not there or would change.
3. The use of these resources in economic activity.

Challenge each student to compile a list of ten careers in which people in his/her area work (limit area to town, city, or county). Suggest that the student use personal interviews with relatives and neighbors.

Have students identify four goods and/or services their families consume. Using these, the student may complete the chart below:

My Family Uses:	We Get It From:
1. (food)	1. (farmer or grocer)
2.	2.
3.	3.
4.	4.

Students may make a large bulletin board collage of magazine picture depicting people working at an occupation in their area. It might be entitled "Many Work . . . So All May Live".

The class may visit a factory. Ask factory representatives to explain how they started their business, what decisions they make, and the role of government in industry.

Students will make a chart on a bulletin board or on a chalk board identifying goods and services:

1. Produced by private business
2. Produced by government (public sector)

Invite several business people, such as a pharmacist, insurance agent, or others, to describe and evaluate the government regulations with which they must comply.

Students will list three economic activities in their community.



Students will list:

1. Three goods or services they use which are produced by government.
2. Three goods or services they use which are produced by private business.

ACTIVITIES

EVALUATION

Students may conduct a survey to find out whether or not their parents' jobs are government regulated. The teacher may wish to provide students with questions to ask, such as:

1. Do you need a license to do your job?
2. Do you produce or help produce goods or services used by government?
3. Do you have to follow any rules from the government about your job or product?

Teacher will explain why government rather than private business provides a particular good or service.

Students can be organized in pairs to discuss and report to the group why they think government rather than private business provides one of the following: education, national defense, food inspection, police protection, fire protection, drug controls, parks, or highways.

Students may include the following works in their glossary: government regulation, and control.

Students will match glossary terms to appropriate definitions.



RESOURCES

Basic Economics, The Instructor Publications, Inc., Dansville, NY, 1964.

"Billions of Raindrops," -- filmstrip and record, U. S. Postal Service.

Economic Ideas and Concepts, Joint Council on Economic Education, University of Southern California, 1964.

Economics, A Social Studies Supplement, Grade Five, Oklahoma State University.

Economic Unit Outline for Grades 4 through 9, American Trucking Assn., Inc., Washington, D.C.

"National Wildlife Refuge Leaflets," U.S. Department of the Interior, Washington, D.C.

Simulation Games and Activities for Social Studies, The Instructor Publications, Inc., Dansville, NY.

Your Country and Mine, Ginn and Co., 1966.



ROLES, RIGHTS, AND RESPONSIBILITIES

GOAL: To be able to identify roles, rights, and responsibilities of individuals for consumer activities related to a home environment.

OUTLINE OF CONTENT	OBJECTIVES
I. Roles, Rights, and Responsibilities of Consumers	The student(s) will
A. The Consumer's Role	be aware of their consumer role. identify at least three needs or wants for goods and services. identify the correct definitions for the following terms: rights, responsibilities, producer, consumer, goods, services, needs, wants, family, school, community, state, and nation.
B. Consumer's Rights and Responsibilities	
1. Right to be Informed	understand an advertisement will help in deciding to buy or not to buy a good. analyze an advertisement for accuracy and completeness of information. identify a government agency that protects consumers. understand that guarantees and warranties are promises about products made by the producer to the consumer.
2. Right to Safety	identify the right to safety in goods and services as related to the responsibility of careful buying and wise use.
3. Right to be Heard	list two rights and two responsibilities the student has as a consumer. identify two ways in which the students can help business people and consumers by communicating their likes and dislikes about goods and services.
4. Right to Choose	identify three goods and/or services they could buy with a given income. select and explain how any three of the following would limit their choosing to buy a good or service: 1. Current income 2. Future income 3. Current needs 4. Debts 5. Goods and services available 6. Future needs identify at least five ideas to help in choosing a good or service to buy.

ACTIVITIES

Throughout the unit, students will keep an economic notebook in which they will keep all their work, such as: lists, glossary, reports, charts, and evaluations.

Teacher will explain that with rights come responsibilities.

Students should make a list of at least six groups to which they belong and complete the following chart:

<u>GROUP</u>	<u>RIGHT</u>	<u>RESPONSIBILITY</u>
Family		
School		
Community		
State		
Country		

Many of these responsibilities can be met by just being:

- | | |
|-------------------------|-------------------|
| 1. Truthful | 8. On time |
| 2. Loyal | 9. Reliable |
| 3. Friendly | 10. Ambitious |
| 4. Courteous | 11. A good worker |
| 5. Thrifty and saving | 12. A good sport |
| 6. Helpful | 13. Clean |
| 7. Respectful of others | 14. Cheerful |

Put a check by those responsibilities that you think describe you. How well do you meet your responsibilities?

List on the following chart six needs and/or wants of a family.

<u>NEEDS</u>	<u>WANTS</u>	<u>GOODS OR SERVICES</u>
--------------	--------------	--------------------------

Suggested Glossary:

- | | |
|---------------------|---------------|
| 1. Rights | 9. Services |
| 2. Responsibilities | 10. Needs |
| 3. Privileges | 11. Wants |
| 4. Citizen | 12. Family |
| 5. Role | 13. School |
| 6. Producer | 14. Community |
| 7. Consumer | 15. State |
| 8. Goods | 16. Nation |

EVALUATION



The students will be able to match up two rights with two responsibilities.



ACTIVITIES

Using labels from clothing, cosmetics, appliances, etc., discuss the usefulness of information on the labels. Discuss the legal requirements for labeling and the reason for the requirements. (i.e., must be written in understandable language and prominently displayed, etc.) Discuss the responsibility of the consumer for following label instructions.

Students will bring ads from newspapers and magazines. Each student will select one ad and place it on a group bulletin board under one of the following categories:

Not enough information Enough information

As the students categorize the ads, each student will explain to the group why the ad is categorized as it is. The students can explain what information the ad included and what was not included.

In a group discussion under the direction of the teacher, students will list four of their favorite toys. Arrange students in groups of two or three. Each group will pretend to be producers of one of the listed toys. They will decide: (1) Why they would advertise the toy; and (2) What information about the toy they will give the consumer. They will design an ad campaign for their toy. The campaign may consist of posters, skits, written ads, pictures, and TV and radio announcements (done on tape or read to class).

Provide each student with a list of the following.

1. U.S. Food and Drug Administration (FDA)
2. Federal Trade Commission (FTC)
3. Consumers Union (CU)
4. Department of Agriculture (USDA)
5. Underwriter's Laboratory (UL)
6. American Medical Association (AMA)
7. American Dental Association (ADA)
8. Federal Communications Commission (FCC)

Each student should ask family members to help find at least one item at home marked with one of these agencies. Have students report what they found and discuss how this agency's designations might help the consumer know more about the product. (Teacher should have information available.)

EVALUATION

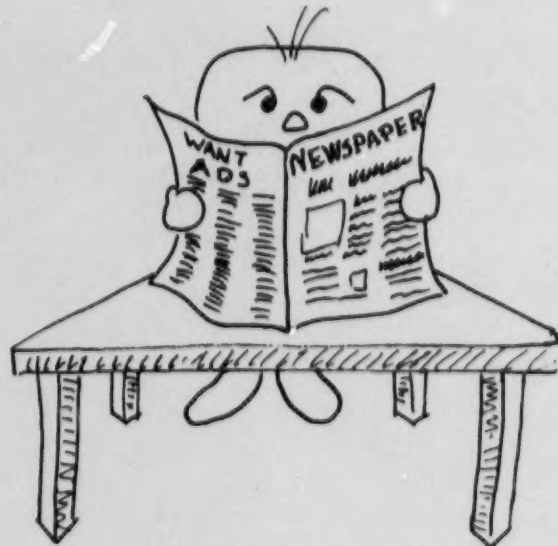
Completion:

Students will provide the correct answer for each space in the paragraph below:

Producers (advertise) to get consumers to buy their products. Some advertisements are funny and some have interesting pictures. An advertisement helps the consumer when it gives (information) about the good or service.

Choose the advertisement which is accurate and complete:

1. Go to the head of the class. Buy a mini-bike.
2. The mini-bike is a 50cc, 3 speed machine that costs only \$200. (X)



ACTIVITIES

The teacher will place the words warranty and guarantee on the board with definitions. The idea should be briefly explained that these are promises from the producer to the consumer about the product. Have students list things they would want in a guarantee and in a warranty, (i.e., money back if the product does not work or breaks, repair when parts break, and freedom from accident if properly used, etc.).

Students will add the following words to their glossary:

1. Label
2. Advertisement
3. Consumer information
4. Guarantee
5. Warranty

Research the safety of a favorite product. Share findings with a classmate. Write a "discovery statement" in notebooks.
 *"I learned", "I was surprised to find out", "I discovered", "I rediscovered"

Have students bring to class instructions and care leaflets from goods purchased, such as bicycles, skate boards, or household appliances. Read leaflets aloud to class and discuss whether the instructions for use and care of the products have been followed. Students may discuss the necessity of following the instructions that would accompany services, such as directions from doctors, veterinarians, policemen, etc.

Hold a bicycle safety check. Ask local law officials to help with it. Discuss why a bicycle might be dangerous, why it is not a toy, ways of making bicycles safer, care and maintenance, and the rider's responsibility to follow vehicle laws.

Using the model below, have students make a chart showing medicines, cleaning supplies, and lawn and garden supplies in their homes; safety instructions given for each item; results; and student responsibility for action:

Product Safety Instructions Yes No My Responsibility

EVALUATION

Sometimes producers make promises to the consumer about their goods or services. These promises are called (guarantees) and (warranties).

The student will list at least five goods and/or services from which they have a right to safety. State the right, and their own responsibility.

<u>Item</u>	<u>Right to Safety</u>	<u>My Responsibility</u>
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The student will respond to the following statement: What is my responsibility as an owner of a new product? (Answer should include: 1. Take care of it and 2. Follow directions.)



ACTIVITIES

Ask students to role-play a business person. They will explain why they care what consumers think about their good or service.

Have one student to describe to the class a product that has not been satisfactory and one student describe one that is satisfactory. Then (1) have one group write a letter to the company listing their complaints about the product; and (2) have one group write a letter in class to a company about a product they recently bought and liked, thanking them for a good product.

Have a local store owner or manager speak to the class and discuss his/her responsibilities and the consumer's responsibilities when buying in the store.

In a teacher-directed discussion, the class will discuss what can be done when a consumer gets a faulty good or service. Through the discussion, the teacher should elicit answers to the following:

1. How does it help the producer when the consumer points out a faulty product?
2. How does this help sellers of that product?
3. How does it help other consumers of the product?
4. How does it help the consumer?

Glossary additions: Faulty and satisfactory.

Students will complete the following chart using prices of goods and services as listed in catalogs, newspapers, and magazines.

<u>If I had</u>	<u>I could buy</u>	<u>I choose</u>	<u>Because</u>
\$1.00	1.		
	2.		
	3.		
\$10.00	1.		
	2.		
	3.		

EVALUATION

The students will identify from the following list four rights they have as a consumer.

A consumer has the right to:

1. get goods without paying for them.
2. have all broken goods replaced without charge.
3. complain about faulty products.(x)
4. get honest information on a good or service.(x)
5. get the good or service he pays for.(x)
6. ask for help from consumer protection groups.(x)

Suppose your new skateboard splits. It was guaranteed not to split. Which of the following should you do? Who would be helped by your action?

I should:

1. take it back. (x)
2. complain to the seller. (x)
3. cry about it.
4. tell my best friend.
5. throw it away.
6. ask the seller for a new skateboard. (x)
7. write a letter of complaint to the producer. (x)

My action would help:

1. other skateboard buyers. (x)
2. the seller. (x)
3. me. (x)
4. the person who made the skateboard. (x)
5. tricycle riders.
6. my baby sitter.
7. my great grandmother.

Have students list three things they could buy if they had \$1.00.

ACTIVITIES

The students will list one good or service they would like to buy, and explain briefly in writing or orally:

1. How long it would take them to get the item if their income is \$1.00 per week.
2. What goods or services they would have to give up to buy the item.
3. Why they would choose the item instead of others.

The teacher can play "what if" with the students. The teacher says: "What if . . . (you had only \$1 for the whole month) or (you had \$100 and owed the doctor \$75)?" The students say, "I couldn't buy . . . (a new record player) or I could buy . . . (a new bike)." The purpose of this activity is to show that the following factors limit the consumer's choices about goods and services they can buy: Current income, future income, goods and services available, current needs, future needs, and current debts.

Have the students pretend they are advising the Smiths on how to buy wisely. Have them list things the Smiths should consider before choosing to buy. The teacher may wish to identify some ideas from the following list for the class:

1. Decide how much money you can spend before you go shopping.
2. Shop with a list.
3. Watch for "specials" advertised in the newspaper. Take the ad to the store with you.
4. Read labels carefully.
5. Compare prices. Compare products.
6. Watch as your purchases are run up on the cash register.
7. Save sales slips. You may want to return what you bought.
8. Shop calmly. Do not buy something you cannot afford.
9. Speak out if you think you acquired a dissatisfactory purchase. Your town probably has a Better Business Bureau or other organization that will look into your complaint.
10. Ask your storekeepers for help if you need it. Usually they are eager to please you.

Students will express ideas on the following:

1. A big box means there is more inside. Do you read labels carefully?
2. Do you read newspaper ads to compare items that stores are offering as specials?
3. Do you return faulty items?
4. Do you budget your money so you know how it will be spent?
5. Something that looks like a good buy may have a "hidden cost". (It may require expensive batteries, for example.) Do you take this into account before buying?
6. Do you watch the clerk ring up your purchases on the cash register to make sure you are being charged the correct price for each item?

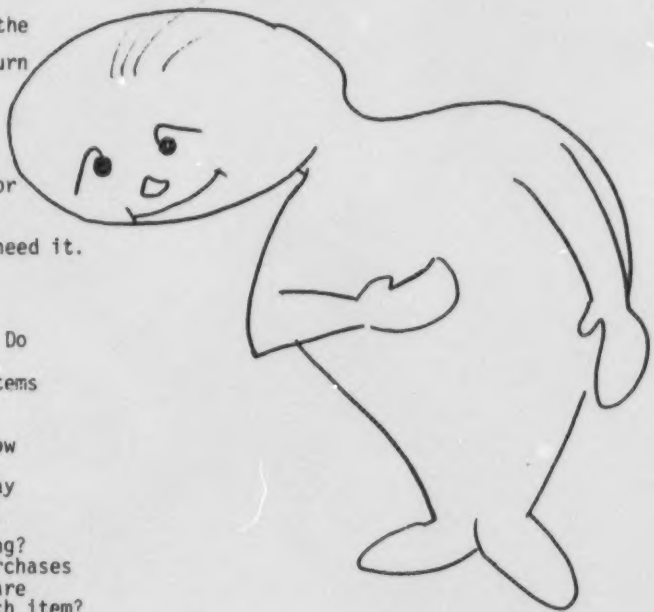
EVALUATION

Ask each student to complete the following:

I could not buy a toy for \$5 if:

1. I did not have \$5.
2. Toys are not sold in our town.
3. I owe Dad \$3.
4. I need a new pair of shoes next week.
5. Next week I will have to buy a \$2 notebook.

Have each student list five things one should think about before choosing a good or service.



CAREER DECISIONS

GOAL: To develop an awareness of career opportunities.

OUTLINE OF CONTENT	OBJECTIVES
I. Career Decisions	The student(s) will
A. Self Awareness	become aware of the activities they believe they are successful in now that will also be helpful in the future.
B. Career Awareness	Identify at least three careers in the community. be able to select one career and describe the tasks and training involved in that career.



ACTIVITIES

Have each student list on a self-inventory, three things he/she likes to do. The student may then explain why he/she likes to do these things.

Each student can identify four or five activities in which they feel successful. Discuss jobs that might include similar activities. Students may discuss what jobs might involve some of the listed or similar activities.

The teacher may arrange for the school counselor to speak with the class about activities related to certain types of jobs.

Arrange for community members to meet with the students. They will describe their work and why they feel it is important to themselves and to others. (The teacher should strive for a mix of workers unskilled and skilled as well as professionals.)

Have all the reference material available and easily accessible to the students. Especially helpful are: Elementary Dictionary of Occupational Titles and Career Awareness K-6. These are inexpensive resources.

Make a large bulletin board display of careers chosen by the students. Give each student a circle of poster paper about 6 to 8 inches in diameter on which they can print the name of a career they might choose and draw an illustration of it. Arrange them in a circle on the bulletin board with a spoke going from a center circle stating, "Which Career Will I Choose?"

Have each student write a business letter to a person or a company asking for free materials about a career with their company and other information.

Give each student a piece of poster paper about 8½" X 11" and have them cover it with a collage of pictures of different workers. Encourage them to choose pictures of people whose uniforms depict their career. Then arrange the collages all together to form one large collage.

If comic books on careers are available for students use, have the students give a book report on at least one of the comic books. Encourage them to answer as many of the questions in the back of each book as they can in their report. They may want to draw an illustration of a cartoon character and a certain career.

EVALUATION

Have students identify from class discussion a favorite activity. They may write or tell about this activity, why they like it, and whether they feel that they are or can be successful in doing it.



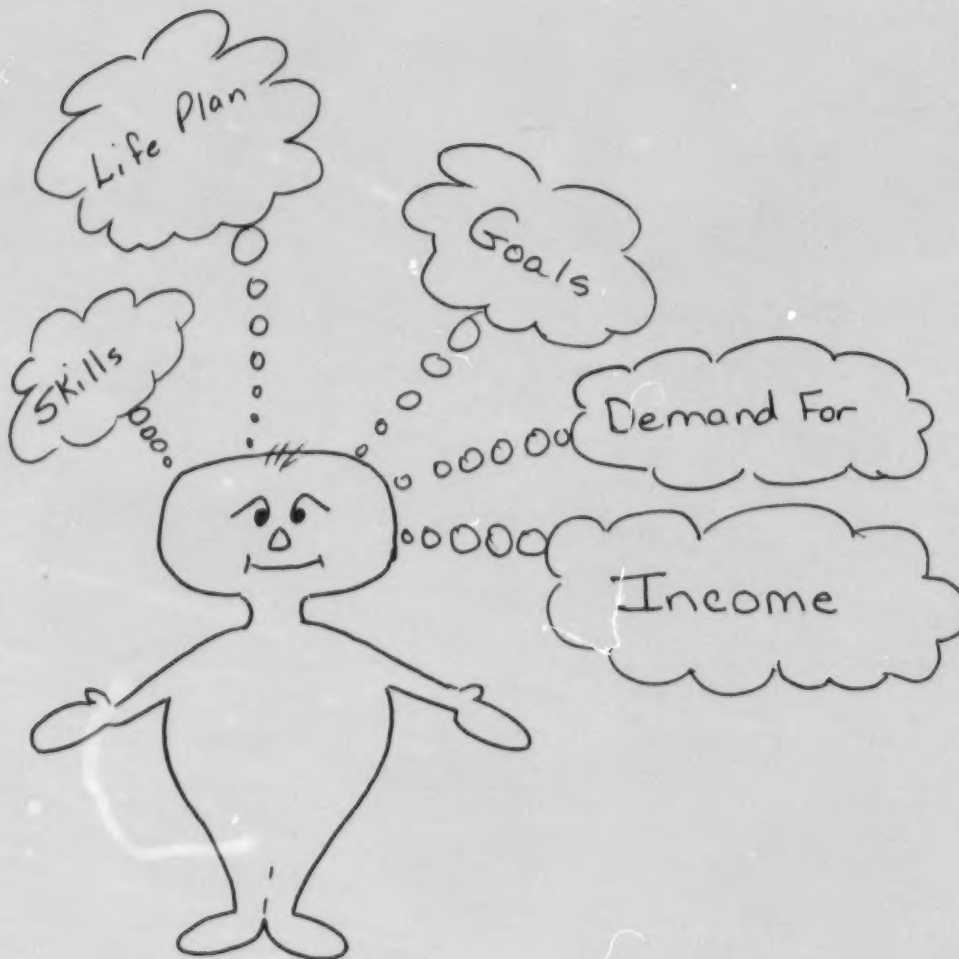
Write a report in which you explain one career in which you think you would be interested. Describe what you would be doing and the training you would need.

Have students correctly define glossary terms.

C. Income and Career Opportunities

Identify through examples three relationships between income and:

1. education or training required for
 2. skills required for
 3. special risks of
 4. demand for
- a special career.



ACTIVITIES

EVALUATION

Have students write a short four line poem about one kind of worker, then put the poems together to be read, or the poems could be put together in different categories, such as: outside workers, inside workers, service workers, etc. Write a poem together in class to help them get the idea. For example:

NURSE
I work for a doctor,
We try to help the sick.
I learned a lot of things,
To help you get well quick.

Ask a local employer, manager, or supervisor to speak to students on "Things that I want in prospective employees".

Assign or let students choose a specific career and make a list of every skill needed for jobs in that career.

Have students make a survey of their community of available resources that would provide job opportunities for the kind of work for which they think they would like to train.

Discuss each subject the students study in school and ask them to tell ways the subjects will help them in specific jobs.

Discuss the different resources that the community has and does not have that would make it a good place for workers to look for jobs. Help students to understand that people getting jobs make the community do better as a whole.

Add the following words to the glossary: career, profession, skill, job application, and training.

Let students relate jobs they have had and how much they were paid.

Discuss the minimum wage requirements set by government regulations. Name jobs that pay the minimum wages.

Make a chart that shows starting pay for many service occupations. Relate the amount to the training or skills required for the job.

Divide the students into groups and assign a different career to each group. Have them list the training required, the equipment needed, the kind of location most suitable, and the need for the career assigned to their group. Then discuss the different responses and relate them to why some workers receive more pay than others.

Present these vocabulary words: income, contribution, promotion, and minimum wage.

Glossary: Minimum wage and entry level salary.



Students will list at least three factors that determine what income a career may pay.

Students will match the vocabulary words with their correct meanings.

MONEY MANAGEMENT

GOAL: To understand the role of money, banking, budgeting, taxation, savings, investments, and credit in the American economy.

OUTLINE OF CONTENT	OBJECTIVES
I. Consumer Incomes: Forms and Uses	The student(s) will:
A. Uses of Money	be able to trace the development of the need for a money system from the barter system.
1. Medium of exchange	be able to give one reason why money must have a common value.
2. Measure of value	
3. Store of value	

B. Types of Money

1. Coins
2. Currency
3. Checks

identify three kinds of money used today.



be able to make change correctly for an amount under one dollar.

ACTIVITIES

Students may research the subject of barter. A class discussion should relate ideas of how barter was used in early times and even today, for instance, as a "trade in" of something used for something new.

Have students write a story telling "The History of Money" and illustrate it. If their illustrations are put on a transparency, then they can project them while reading their stories.

Set up a trading post in your classroom and let the students practice bartering. Have one student role-play a part in which bartering articles are saved for several days until the students can barter for what he/she wants.

Have students role-play a situation where they must start a community where they are isolated from everyone, such as just having landed on a new planet or marooned on a desert island. They should be led to discover how hard it is to determine the price or exact value of services and goods.

Have the student complete an open-ended story concerning a bartering transaction that might be made today. Story starters such as: Gene Clark watched his father take some used articles to a second-hand store and receive money for them. Gene and his father then go to a new furniture store where Mr. Clark spends the money for a bed for Gene. On the way home Gene asks, "Why didn't you take the old furniture to the man who sold us the new bed? Why did we have to go to the second-hand store first?" Then have the students write how they think Mr. Clark would have answered Gene's questions.

Students will add the following terms to their glossary:

1. Medium of exchange
2. Barter
3. Money

Have one day for students to display coin collections.

Invite a guest speaker who has a coin collection to explain how to develop a good coin collection.

Have students make a bulletin board illustrating all the different types of money, beginning with the early forms.

EVALUATION

Students will list five early forms of money.

Students will list three advantages of having a money system instead of bartering.

Students will respond in writing to the question: Why is it necessary for money to have a standard of value in the United States?



Evaluate the open-ended stories (See activity) to determine if the students understand the function of money.

Students will be able to match the correct definition with each glossary word.

Students will list three different types of money used today.

C. Banking

1. Services of a bank

- a. Checking accounts
- b. Savings accounts and interest
- c. Loans
- d. Safe deposit boxes
- e. Financial advise
- f. Others

identify four services of a bank.

be able to prepare a deposit slip.

be able to write and endorse a check correctly.

be able to explain the information given on a bank statement.



ACTIVITIES

Use an opaque projector to demonstrate the markings on paper money. Some students may want to memorize the pictures on each denomination of currency.

Have students respond with creative writings using such titles as "A Day in the Life of a Dollar Bill," or "The Life and Death of a Dollar Bill."

With play money or with a commercial play money kit, teach the students to count change to customers correctly.

The students will add to glossary:

- | | |
|--------------------|-----------------|
| 1. Coins | 5. Mints |
| 2. Currency | 6. Legal tender |
| 3. Checks | 7. Engraving |
| 4. Demand deposits | |

Discuss the services of a bank.

Show the film "It's All Mine". The film and guide can be obtained from the American Bankers Association. The guide has many activities to use.

Individual booklets that can be obtained from the Federal Reserve should be given to the students or made available for their use. Some titles are: The Story of Checks and Keeping Our Money Healthy.

Research papers can be started on "The Role of the Commercial Banks" and worked on through the banking study. This assignment can be very useful in teaching outlining, making note cards, and a bibliography page.

A committee of students can be assigned to write and dramatize the play that can be obtained from Instructor Magazine, entitled "Now Mr. Goldsmith Becomes a Banker."

Show the film "Your Town." It is available from the American Bankers Association. It emphasizes the many services of a community bank and provides a teacher's guide and lists many activities.

Let groups make posters or flow charts showing services of a bank.

Make duplicated copies of a deposit slip and a check on practice sheets, and let students learn to fill them out correctly. Using a transparency of a deposit slip and a check on the overhead projector is an effective means of instructing class on how to prepare checks and deposit slips.

EVALUATION

Students will answer the following question: Billy bought a model airplane kit that cost 63 cents. He gave the clerk a one dollar bill. What change should he receive? Write your answer in the order that he should receive each kind of coin.

Students will match the vocabulary words with the correct meaning.

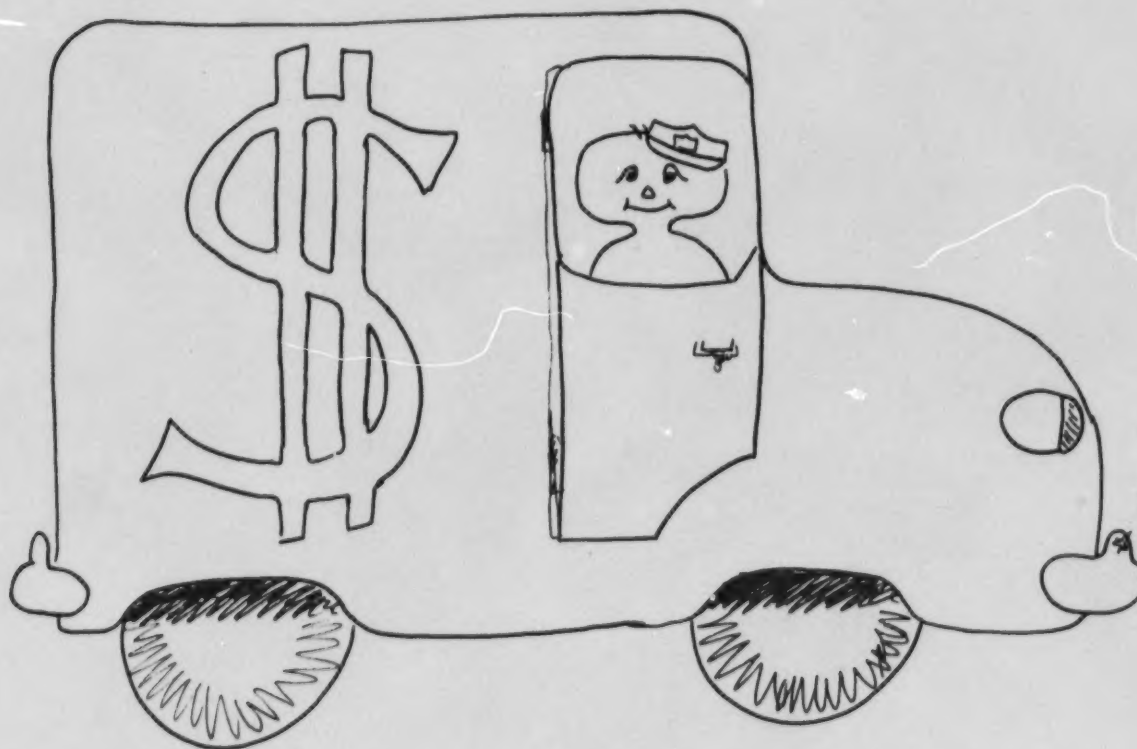
Student will list four services a bank offers.

Given specific information on a written test problem, the student will compare a sample deposit slip.

Given specific information needed on a written test problem, the student will write a sample check.

Student will list four items of information found on a bank statement.





D. Consumer Income and Spending Plans

1. Establishing goals.
2. Determining expenses--fixed and flexible
3. Determining what wants can be purchased
4. Preparing a budget.
5. Recording money spend and received.
6. Determining amount for savings account.

be aware of goals in life.

be able to identify two fixed and two flexible expenses which a family might have.

keep a record of income and expenses in a budget form.

identify two ways in which budgeting can help a family satisfy more of their needs and wants.

ACTIVITIES

EVALUATION

Discuss the reasons a check is often better than paying in cash. Include in the discussion the convenience of not carrying cash, having cash lost or stolen, and a check becoming a permanent and legal record of payment.

Students may write an imaginary story called "Your Dollar Goes to the Bank." Suggest that the students try to trace what happens at the bank after the teller takes their dollar, gives them credit, and keeps the dollar. Illustrations or cartoons may make the story more interesting.

Distribute duplicated copies of a customer's bank statement and explain all the information on it. Instruct the students to make entries on the statement.

Ask a resource person from the bank or savings and loan company, credit union, or small loan company to speak to the class and explain their bank services.

Arrange to tour a bank and observe the different activities and services offered. Explain the main source of a bank's income.

Develop a classroom bank where checking and saving accounts are opened and banking records are kept.

Make a poster showing a check's journey as it travels to different places and back to the one who wrote it. Information can be obtained from the booklet, The Story of Checks.

Ask a bank official what percent of each new deposit must be kept on reserve.

Students may add these terms to their glossaries:

- | | |
|---------------------|------------------------|
| 1. Check | 7. Signature |
| 2. Checking account | 8. Withdrawal |
| 3. Savings account | 9. Teller |
| 4. Deposits | 10. Safe deposit boxes |
| 5. Bank statement | 11. Deposit slip |
| 6. Endorse | |

Have students list ways in which they can earn income.

Ask two or three students to identify items of expense they may have while earning their income.

Define fixed and flexible expenses. Make a list during class discussion of examples of each kind.

Students will match vocabulary words with correct meaning.

Students will list two expenses that would be considered fixed expenses of a family.

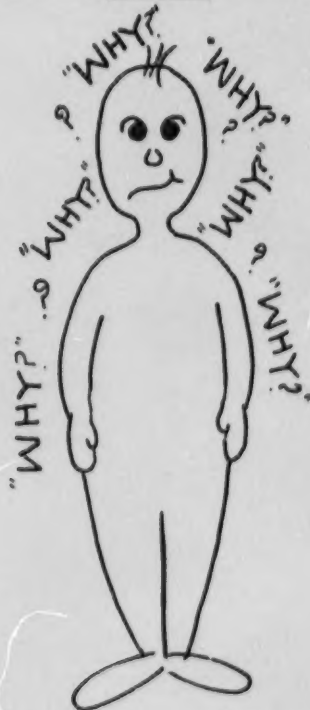


THE CONSUMER FAMILY

MONTHLY BUDGET

JANUARY 19 - -

Estimated Income		Estimated Expenditures	
Husband's Income	790 00	Savings	100 00
Wife's Income	210 00	Food	220 00
(After deductions)		Clothing	100 00
		Household	120 00
		Transportation	210 00
		Health and Personal Care	88 00
		Recreation and Education	92 00
		Gifts and Contributions	70 00
	1,000 00		1,000 00



ACTIVITIES

EVALUATION

Divide class into groups and assign each group to make a hypothetical budget for a family. Establish the same income for each family, and assign a particular unexpected expense to each group, but let them decide the source of income, the size of the family, and how they will budget their money. Encourage them to use newspapers and interviews to determine costs.

Duplicate a form of a budget similar to this example and have the students keep it for one week.

Date	Receipts	Amount	Date	Expenditures	Amount
Total			Total		
			Less expenditures		

Have a group of students write and present a play showing a family who has problems from not planning their spending. Encourage them to use dialogue with meaningful money terms and to include a moral or "lesson taught" in their play.

Assign the students a certain amount of money such as \$50 and have them take an imaginary shopping trip. The students can visit real stores over the weekend or after school and select items to buy with their money. They should return with a list of things bought. After reading their lists to the class, they may discuss the decisions made.

An alternate choice for the shopping trip to the store would be the use of a mail order catalog in the classroom. Students would gain the experience of filling out an order blank, calculating the postage, and adding tax.

A useful activity that relates to this topic is a worksheet entitled, "Why do I have to make choices?"

Make duplicate copies of a restaurant menu and have each student select a meal. Then assign a certain amount of money that can be spent and have the students select a meal from the same menu. Show how an adequate meal can be chosen for different prices.

Have students write a story, "How I want to spend my money."

Student will list two expenses that would be considered flexible expenses of family.

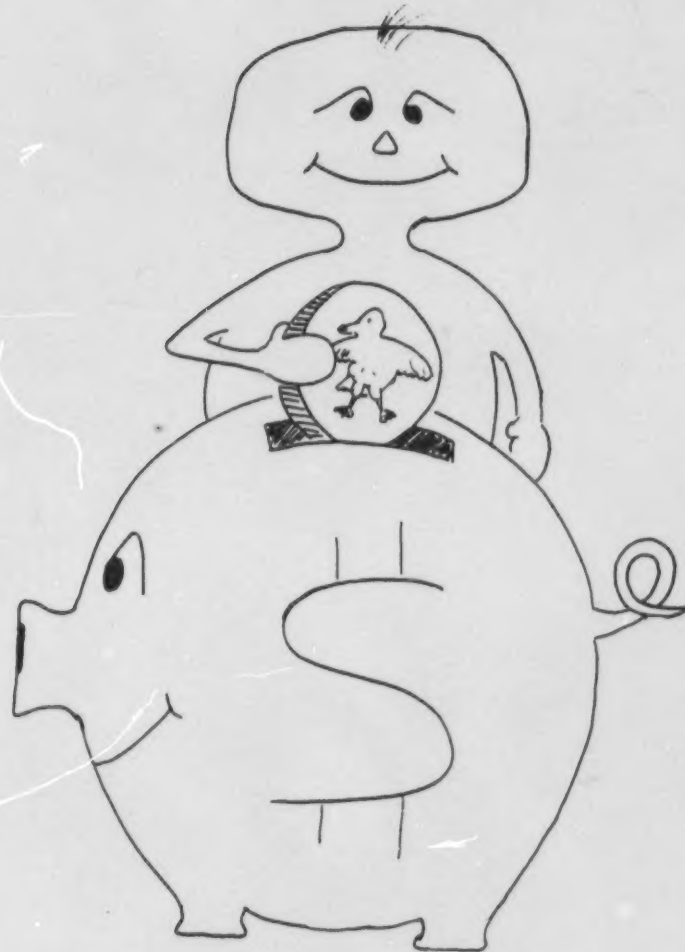
Evaluate how accurately each student kept a budget.

Student will respond in essay form to the question, "How could keeping a budget help a family spend more wisely?" giving at least two ways.



E. Savings and Investing

Identify and explain three ways to make more income by saving or investing part of current income.



ACTIVITIES

Students will add these words to their glossary:

- | | |
|-----------------|-----------------------|
| 1. Budget | 6. Wages and salaries |
| 2. Expenditures | 7. Savings |
| 3. Receipts | 8. Fixed expense |
| 4. Income | 9. Flexible expense |
| 5. Balance | |

Discuss the stock market with the students and explain the reasons people invest money.

Introduce various stock market terms and their meanings.

Bring copies of newspapers to class and discuss how reports are made daily about the stock market.

Explain how bonds make it possible to have new facilities in your city.

A group may be able to keep a graph, plotting the ups and downs of stock prices of some leading companies for a week.

A very basic but interesting introduction to corporation stocks can be presented by letting the class form their own corporation. Select a product for the class to sell. Initiate the idea that they will have to have capital to get started in business. Then they can draw up stock certificates and sell shares of stock to class members for a minimal amount. They can name their company, elect directors, form committees for promoting and marketing their product or service. Many phases of economics can be learned and the terms "corporation stock" and "investment" become much more meaningful.

Divide students into small groups to discuss one of the following:

1. Mr. Jones works all day. He goes to school at night to learn welding. Why is Mr. Jones willing to spend his time and part of his income to go to welding school?
2. Sam Hamm wants to go to college after high school. Why are his parents willing to give up things to save for his college education?
3. Leta Long spends \$25 a month to purchase U. S. Savings Bonds. Why does she buy savings bonds instead of spending the money on clothes or records?
4. Mr. Rich bought a city bond for \$10,000. What use will he make of the bond?
5. Jim John bought a house. He plans to rent the house to someone. Why would Jim want this house when he already has one?

EVALUATION

Students will match the glossary terms with the correct definitions.

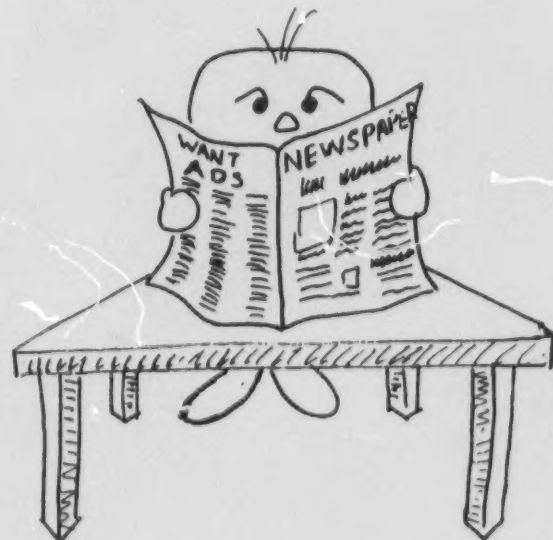
Give a multiple choice test on the reasons people invest in the stock market.

Match the following terms with the correct meaning: corporations, stock certificate, stock exchange, dividend, and savings bond.

List three kinds of investments.

Have students name three ways a person can save or invest.

Have students explain, by using an example, how future income is increased by saving or investing.



F. Taxation

1. Need for taxes

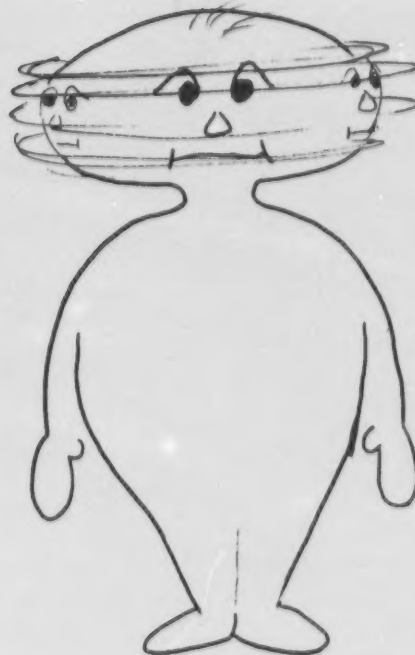
identify three types of taxes.

- a. Government needs
 - (1) Services provided
 - (2) Taxes

be able to enumerate three public services made possible by taxation.

- b. Kinds of taxes
 - (1) Property
 - (2) Income
 - (3) Sales
 - (4) Other

- c. Collection and distribution of taxes
 - (1) Tax forms
 - (2) State or school budgets
 - (3) Citizen's responsibility to pay
 - (4) Distribution to city, county, state, and federal governments



ACTIVITIES

EVALUATION

6. Sue Smiley deposits \$50 a month in a savings account. Why does she not just spend the \$50?
7. Charley Carpenter has replaced his old saw with a new saw. Why did Charley spend money for a new saw? His old one still worked!

Students may add to glossary:

- | | |
|----------------|---------------------------|
| 1. Stocks | 8. Certificate of deposit |
| 2. Stockholder | 9. Stock exchange |
| 3. Dividend | 10. Brokers |
| 4. Interest | 11. Investment |
| 5. Rent | 12. Wall Street |
| 6. Bond | 13. Savings Bond |
| 7. Bondholder | 14. Savings account |

Ask the class to name taxes that they may have paid. Help them to include sales tax and dog licenses.

Research some local tax expenses and illustrate them on a bulletin board.

Discuss services paid for by taxes. Lead the class in discovering who pays for streets and roads, jails, libraries, parks, and salaries for employees who work in public positions. Talk about what kind of tax pays for the different kinds of services provided.

Have students research information about the costs of some of the local public services such as: fire department, police department, etc.

Invite the school principal to explain to students the amount of money that is involved in the upkeep of the school. Discuss what students might do to reduce the cost.

Students may bring sales slips from purchases that have been made. Draw attention to the amount of sales tax included on the price of the purchase.

Have students list things bought or paid for during a specific time and calculate the amount of taxes paid on them. Help the students remember gasoline tax, tax on the telephone bill, different recreation activity taxes, and to recall all activities in which they have paid out money that might be taxed.

Bring an income tax form to class and explain it to the students and talk about the importance of accurate records.

Add to glossary:

- | | |
|--------------------|---------------|
| 1. Taxes | 4. Income tax |
| 2. Public Services | 5. Licenses |
| 3. Sales tax | 6. Property |

Have students provide a correct definition for each of the glossary terms.

Have students list at least three kinds of taxes.

Have students list three services they use that are provided by tax money.



Have students identify correct definitions for glossary terms.

OUTLINE OF CONTENT

OBJECTIVES

G. Credit and Reasons for Borrowing

become aware of the concepts of borrowing and credit



H. Insurance

1. Assets that need protection
2. Types of insurance

become aware of categories of insurance and their functions.

ACTIVITIES

EVALUATION

Define and discuss consumer credit (borrowing, interest, payments, and extra charges).

Collect opinions of classmates and parents on "borrowing" or "buying on credit". Discuss the opinions, give reasons for borrowing, problems involved for the lender, responsibilities of the borrower to return borrowed items, and reasons for not borrowing.

Discuss what would influence your decision as to whether or not you would lend something to another person.

Discuss the meaning of the following statements:

1. Charge it.
2. \$1 down, and \$1 a month
3. Go now, and pay later.
4. Put it in lay-away.

Discuss reasons for using credit. Some examples might be convenience, use of goods and services as you pay for them, establish a sound credit rating, opportunity to take advantages of low prices, a chance to save money, etc. Also include some reasons for not using credit.

Give examples of the functions of credit in each of the following:

1. Promoting
2. Expanding production
3. Raising the level of living

As a small group activity, the group selects room furnishings from a catalog and then totals the cost of the furnishings. The teacher helps them calculate loan payments and interest on the furnishings after contacting several local financial institutions for their loan rates. The teacher might supply a sample family budget for each student and let them determine if this would be a wise purchase for the family to make. Also, consider the possibility of foregoing purchase until cash can be paid to save the interest cost.

From a list of different credit terms on the same product, ask the students to select the best credit terms.

Explain to the student the meaning of assets.

Invite a resource person to explain the importance of insurance and different types available.

Define borrowing and credit.

List at least three reasons for borrowing and using credit. After each reason, state whether you think you would borrow or use credit for that reason and explain why.



Identify the type of insurance needed to cover a given risk.

OUTLINE OF CONTENT

OBJECTIVES

I. Public Service Available

be able to list three public services that are available.



ACTIVITIES

Discuss what public service is and how it helps you.

List all the public services you can that are provided for by the tax dollar (schools, police, highways, recreation, health, welfare, national government, and others). Prepare a bulletin board on Services.

Organize committees to check with several public service agencies and report to the class on the type of services provided by each agency and the approximate cost of these services.

Plan a field trip to local agencies that are supported by taxes.

Discuss how our society and form of government are based upon the principles of sharing and helping each other.

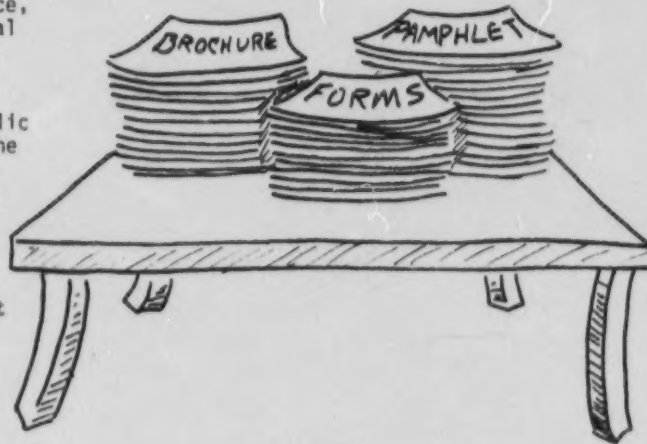
Obtain pamphlets and brochures from agencies and arrange a library table for sharing.

Plan and present "skits" or "mini programs" on different types of public service.

Volunteer for public service at school or in the community.

EVALUATION

List three public services that are available to you and your parents.



RESOURCES

Federal Reserve Banks, New York, NY 10045; Richmond, VA 23261; Atlanta, GA 30303; and Boston, MA.

Instructor Magazine, November 1963. Instructor Publications, Inc., Instructor Park, Dansville, NY 14437. "Mr. Goldsmith Becomes a Banker" by Lawrence Senesh.

McDonald's Action Pack, by Dorothy Cretcher and Carl Fisher, McDonald's Action Packs, Box 2594, Chicago, IL 60690.

The Story of Checks, Federal Reserve Bank of New York, Public Information Department, 33 Liberty Street, New York, NY 10045.

CONSUMER ASSISTANCE AND PROTECTION

GOAL: To become aware of consumer assistance and protection.

OUTLINE OF CONTENT	OBJECTIVES
I. Consumer Assistance and Protection	The student(s) will:
A. Private Agencies	become aware that private agencies exist to help the consumer.
1. Better Business Bureau	
2. Consumer Union	
3. Consumer Advocates	
4. Underwriters' Laboratories, Inc.	
5. Others	
B. Local, State, and Federal Agencies that affect the consumer.	be aware of local, state, and federal agencies which are designed to protect consumers and the kinds of protection available to the consumer.
C. Contracts	realize the importance of a contract in consumer activities.
D. Warranties/Guarantees	become aware of the meaning of warranty/guarantee.

ACTIVITIES

Discuss the consumers' right to expect safe, sanitary and satisfactory products, also the consumer recourse, if taken advantage of by a dishonest business. Ask the students questions such as:

1. What could you do if you bought a carton of milk and it was spoiled?
2. What could you do if you received a toy cash register and the drawer will not open?
3. What could you do if you bought candy and found it covered with ants?
4. What could you do if you saw an advertisement, bought the toy, and the toy did not perform as advertised?
5. What could you do if the purchase was made from an out-of-town store?

Have the students research the consumer protection laws available in Oklahoma.

Invite a representative to discuss what Federal Protection Laws are available and who administers these laws (Possibly a local merchant would be helpful in discussing these laws).

Invite a representative from the District Attorney's office to discuss the Consumer Protection Act.

Invite a resource person to discuss the common use and function of contracts involving consumers.

Discuss a contract and its contents. The teacher and the students will work together to prepare a blank contract. Students will sign when contracting to do an extra project or help another student with an assignment, etc.

Discuss the legal responsibilities of anyone signing a contract.

The teacher and students will bring warranties to school and discuss the elements of each.

EVALUATION

Have students list several private agencies and explain how each provides the consumer with assistance and protection.



Have students prepare a simple contract.

Write a paragraph on the importance of a contract.

CREDIT

GOAL: To understand the importance of the wise use of credit.

OUTLINE OF CONTENT	OBJECTIVES
I. Credit and Reasons for Borrowing	The student(s) will: explain why individuals borrow.
II. Cost of Credit	explain why consumers may be willing to pay interest.
III. Sources of Credit	understand the functions of some of the more commonly used lenders.
IV. Wise Use of Credit	explain why it would be beneficial to shop for credit terms and repay loans on time.
V. Credit Bureaus	explain how a credit bureau receives and records credit information.



ACTIVITIES

Discuss borrowing with students to show why people borrow.

Illustrate the need for credit on large purchases (refrigerator, stove, etc.). Will all families have enough immediate cash to pay for these items?

Provide the students with a list of goods they might want to purchase on credit (i.e., bicycle, swing set, video game). Include two columns: Prices and Price Plus Interest. Discuss the reasons why a consumer might be willing to pay interest.

From a prepared list of lenders, have students select which lenders they would use to finance a home, car, clothes, etc.

As a small group activity, the group selects room furnishings from a catalog and then totals the cost of the furnishings. The teacher helps them calculate loan payments and interest on the furnishings after contacting several local financial institutions for their loan rates. The teacher might supply a sample family budget for each student and let them determine if this would be a wise purchase for the family to make.

Role play credit situations in which the borrower does not repay the loan. What happens the next time the borrower requests credit?

Discuss with the students the negative aspects of credit (i.e., repossessions, garnishment, bankruptcy, etc.).

Invite a speaker to discuss credit and credit reporting.

EVALUATION

Have students explain orally or in writing in a paragraph why individuals borrow and critique the paragraph.

Have students explain orally or in writing in a paragraph why consumers may be willing to pay interest.

Have students list in writing all of the items in their home which probably were purchased on credit.



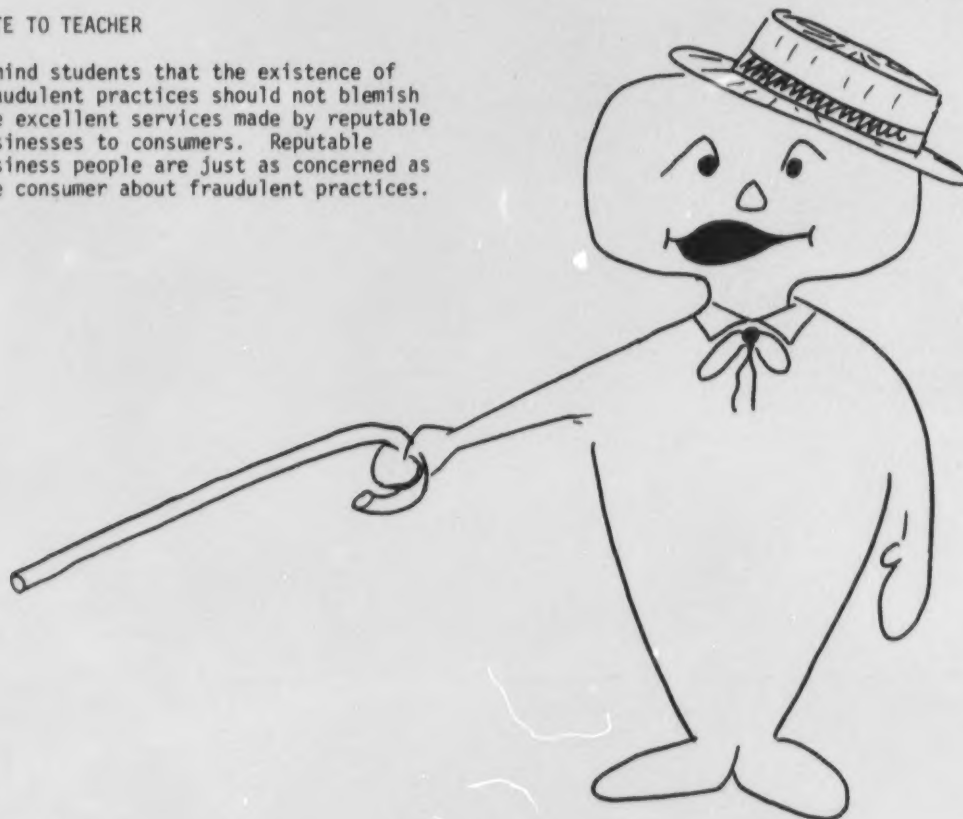
FRAUD AND DECEPTION

GOAL: Develop an awareness of fraud and deception.

OUTLINE OF CONTENT	OBJECTIVES
I. Fraud and Deception	The student(s) will:
A. Fraud and Deception	distinguish between actual deception practices and uninformed sales personnel.
B. Bait and Switch	know what is meant by "bait and switch" and where to report the store involved.
C. Appeals to Young People	produce a chart that shows many wants that become needs as a result of advertising claims.
D. Consumer Fraud	become aware that economic waste results from irresponsible actions of some consumers.

NOTE TO TEACHER

Remind students that the existence of fraudulent practices should not blemish the excellent services made by reputable businesses to consumers. Reputable business people are just as concerned as the consumer about fraudulent practices.



ACTIVITIES

EVALUATION

Define and discuss the terms "fraud, deception, and sales pitch."

Prepare TV commercials to sell imaginary products with some being fraudulent. Make a TV set from a box and show commercials to the class.

Discuss the leaflet provided by the Better Business Bureau Consumer Tips on Bait and Switch. Discuss any incidents the students may have encountered. Discuss where and how to report such a store.

Discuss products which have been purchased due to specific advertising. Tell why they felt a "need" for this product. Did the product live up to its advertising claim? Do you still have the product?

Students will interview business people about the existence of wasteful and illegal consumer practices such as damaging merchandise in the store, return of merchandise after it has been damaged, shoplifting, etc. Report findings to class and discuss how these costs are reflected in increased prices of consumer products.

Choose from the TV commercials three pictures illustrating fraudulent products.

The student will be able to tell the teacher that "bait and switch" is a scheme to get you into the store so you will buy something more expensive. The student will also be able to tell the teacher to report the incident to the nearest Federal Trade Commission office.

The students will place three pictures of wants and needs on a chart under the appropriate headings of "wants" and "needs."

Write a paragraph on "Responsible Consumer Citizenship."



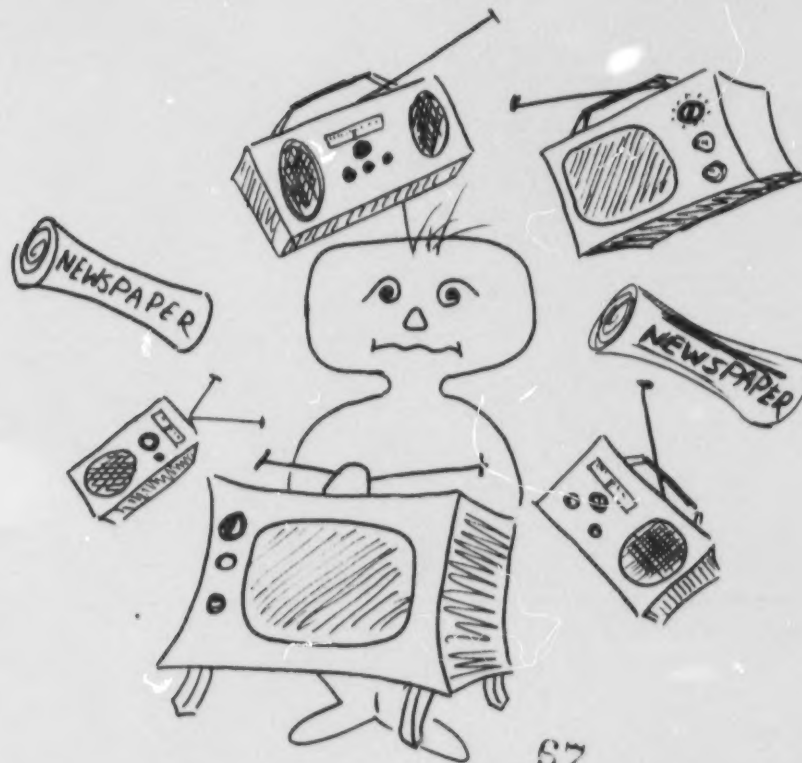
CONSUMER INFLUENCES

GOAL: To be aware that consumers can influence and be influenced into buying goods and services.

OUTLINE OF CONTENT	OBJECTIVES
I. Consumers are Influenced	The student(s) will:
A. By credit	define credit

B. By advertising

identify three ways of advertising a good or service.



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ACTIVITIES

Through teacher lead classroom discussion, arrive at a definition of credit.

In class discussion, list on the chalkboard uses of credit. Group the list according to kind of credit (credit cards, charge accounts, installments, cash loans, etc.). Carry this discussion further by pointing out the cash loan agencies. Complete the list to include a discussion of types of cash loans such as:

1. Consumer finance company
2. Credit unions
3. Banks
4. Savings and loan
5. Life insurance company
6. Pawn broker

Invite a credit manager of a retail store or a banker to discuss ways people buy on credit.

Through a teacher lead activity, discuss methods of advertising for:

1. Newspapers
2. Magazines

Call your local newspaper and find out how much it would cost to run various size ads.

3. Radio

Find out how much it costs for an ad to be aired. Count the number of ads it takes for a 30 minute program.

4. Television

Count how many commercials are on a 30 minute program in the morning, the afternoon, the evening (prime time). Discuss how powerful TV is in influencing the consumer.

5. Posters and billboards
6. Direct mailing

EVALUATION

The students will draw a picture to illustrate credit and write a statement of how the drawing defines credit.

The student will list two types of credit and three sources of credit.

Evaluate by teacher observation, a checklist, orally, or by a written test prepared by the teacher.



OUTLINE OF CONTENT

OBJECTIVES

recognize four approaches of advertising that may influence the buyer.

II. Consumer can Influence

A. Through United Consumer Action

name two consumer actions that can help influence the consumer.



ACTIVITIES

EVALUATION

Have students bring advertisements from magazines, radio, or TV on an item they do not need but would like to buy. In a class discussion, have the students tell why the ads made them want to buy the item. Example of each of the following should be included:

Advertising approaches:

- | | |
|---------------------|----------------------|
| 1. Endorsement | 6. Factual |
| 2. Appeal to senses | 7. Statistics |
| 3. Beauty | 8. Clever |
| 4. Band-wagon | 9. Gimmicks (coupon) |
| 5. Snob appeal | |

Define boycott.

Define lobbying. Explain that consumers are developing consumer action panels and what steps need to be followed to get results.

Basic approach:

1. Consumer contacts retailer or dealer who sold the product.
2. If the consumer receives no help, then contact the manufacturer.
3. If this fails, write the proper consumer action panel.

The following steps should be taken when registering a complaint.

1. Give full name, address, and telephone number.
2. A detailed description of the product including numbers.
3. Dealers or retailer's name and address.
4. Description of the problem.
5. Date of purchase.
6. Send copies of receipts.

ADDRESSES OF FOUR MAJOR CONSUMER ACTION PANELS

1. MACAP (Major Appliance Consumer Action Panel), 20 N. Wacker Drive, Chicago, IL 60606.
2. CRICAP (Carpet and Rug Industry Consumer Action Panel), Box 1568, Dalton, GA 30720.
3. FICAP (Furniture Industry Consumer Advisory Panel), Box 951, Highpoint, NC 27261.
4. Auto CAP uses local and state panels organized under the auspices of the National Automobile Dealers Association.

Evaluate through teacher observation and by questions that are answered orally or written as compiled by teacher.

Name two consumer action panels and explain ways in which each help the consumer.



PURCHASING

GOAL: To understand the role of money in an industrialized economy.

OUTLINE OF CONTENT	OBJECTIVES
I. Purchasing	
A. Consumer Purchasing	The student(s) will:
1. Developing shopping skills	be aware of the various skills involved in shopping.
a. Ability to make change	
b. Unit pricing	
c. Comparison shopping - quantity and quality	
d. Recognition of dishonest business practices	
B. Food	
1. Four basic food groups	know the four basic food groups.
a. Milk	
b. Meat	
c. Vegetable and fruit	
d. Bread and cereal	
2. Grocery stores	recognize that there are different types of stores that sell food products.
a. Convenience stores	
b. Specialty stores	
c. Supermarkets	
d. Cooperatives	
3. Government agencies that regulate food standards	explain why government agencies regulate food standards for consumer protection.
4. Advertising	understand the less fancy the packaging, the more product received for less money.
a. Slogans	
b. Packaging	discover that items priced without toys, games, etc., are better buys.
c. Pricing	
C. Clothing	be able to choose suitable clothing for daily wear.
	know how to read the labels in clothing to find size and washability of the garment.

ACTIVITIES

EVALUATION

Set up a class grocery store using empty boxes and cans brought from home. Have students make purchases, teaching them to compare prices and amounts.

Have students play the role of a skillful shopper.

Have students draw on long sheets of paper television commercials to sell imaginary products. Make a "television set" from a box and let students show their commercials to the class, using an oral "sales pitch" to try to sell the product. Careful attention should be paid to the claims made about the product. Discuss: "Can the statement be proved"?

Give the students a teacher-written commercial and have them pick out the false or dishonest claims.

Discuss the leaflet Consumer Tips on Bait and Switch, available from the Better Business Bureau, Leonhardt Building, Oklahoma City, OK 73102.

Write a script for puppets or role play "bait and switch".

Have students make up menus which include items from the four basic food groups.

Have students draw examples of each of the four basic food groups.

Make a list on the board of all the stores which sell food products with which the students are familiar. Classify these stores into four types: convenience, specialty, supermarket, and department.

Have students choose one type of grocery store and write a paragraph or tell orally why that particular store suits their shopping needs.

Bring labels from cans of meats, vegetables, fruits, and bottles of cosmetics. Share in groups. Have students discuss why government agencies regulate what is in the products.

Have students write a paragraph or tell orally why government agencies regulate food standards.

Take a field trip to a grocery store and compare a bulk of products with prices of individually wrapped products. Also, notice how prices tend to change if a toy is included in a cereal box to promote sales. After returning to class, discuss findings.

Determine through a play store set up in the room the student's understanding of packaging and pricing.

Give the students \$75 and have them choose school clothes from pictures in a catalog. Discuss the suitability of the clothing chosen.

Give students pictures of suitable and unsuitable school clothing and have them choose the ones they would wear to school.

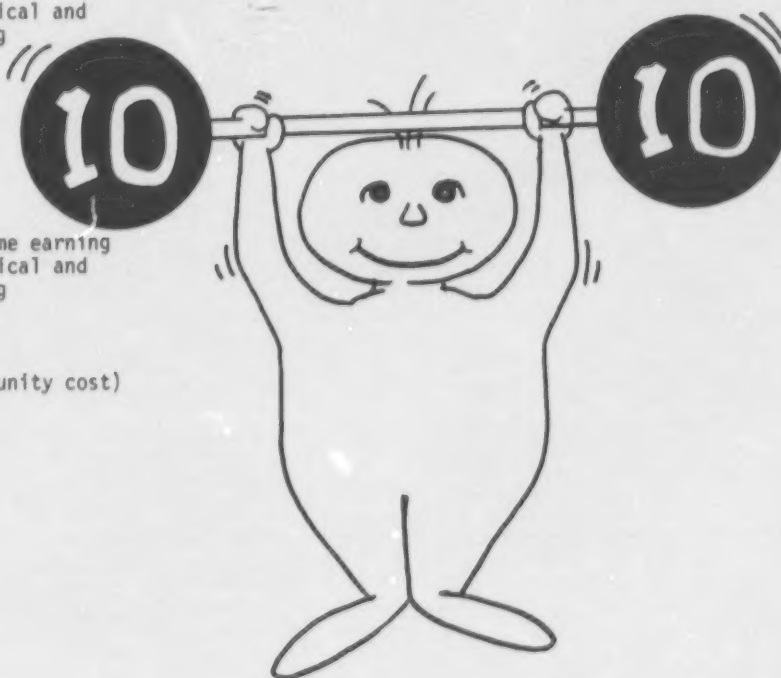
Bring garments to school and have students locate the labels which give the size and laundering or cleaning instructions. Discuss the kinds of laundering instructions which make it easier to care for the garments.

Have students tell where to locate labels in clothing and what the labels tell you.

HEALTH, EDUCATION, AND LEISURE

GOAL: To recognize the importance of and realize the costs that are involved in obtaining health, education, and leisure.

OUTLINE OF CONTENT	OBJECTIVES
I. Health, Education, and Leisure	The student(s) will:
A. Importance of Health	be able to compare the cost and importance of health, education, and leisure.
1. Contributes to income earning	
2. Contributes to learning	
3. Contributes to physical and emotional well-being	
B. Cost of Health	
1. Physical checkups, dental checkups, good diet, eye examinations, etc.	
C. Importance of Education	
1. Contributes to income earning	
2. Contributes to leisure	
3. Contributes to physical and emotional well-being	
D. Costs of Education	
1. Taxes	
2. School supplies	
E. Importance of Leisure	
1. Contributes to income earning	
2. Contributes to physical and emotional well-being	
F. Costs of Leisure	
1. Lost income (opportunity cost)	
2. Equipment and fees	



ACTIVITIES

Collect newspaper advertisements which are misleading and show how they can contribute to high health care costs.

Ask the school nurse to discuss care of body and effect of leisure on one's feelings.

Have students make a survey of different occupations, comparing salaries, and education required for each.

Have class discussion on the importance of education and which taxes help finance education.

Discuss: "How would you be able to attend college if your parents were not able to send you?"

Discuss how leisure activities might contribute to income earning and how they contribute to physical and emotional well-being.

Have a nurse come to class and explain how lifestyle habits such as smoking can effect one's earning power.

Have a student report on what it costs to smoke two packs per day for one year.

Smokers are ill more often than non-smokers; have students discuss what effect this has on cost of product or service produced.

EVALUATION

Complete the following chart by keeping records for two weeks:

	Cost	Importance
Health		
Education		
Leisure		

Have students list their school supplies and approximate cost. Discuss that school supplies are a "cost" of education.



7-12



THE ECONOMIC SYSTEM

GOAL: The students should acquire a basic understanding of our economic system--how it works and how they are involved in it--and be able to function with proficiency in the economic system throughout their lifetime.

Understanding: Introduction to Economics

OBJECTIVES	ACTIVITIES
The student(s) will understand the basics of economics.	Define the term economics Discuss systems of production in communism, socialism, and capitalism. Examine activities such as producing, saving, spending, paying taxes, etc. Relate "man stranded on an island concept."
identify and explain three basic problems facing every economic system. 1. How much 2. What 3. For whom	The three basic decisions of economic systems are: how much, what, and for whom. Have students research the three decisions as related to (1) tradition and custom, (2) command, and (3) market economy. Use the energy crisis as an example. Discuss conservation measures designed to ward off other kinds of crises. Have students list five ways in which supply and demand effect the consumer. Have students write a theme or essay on the topic, "My Responsibility to Conserve" or other selected topics.
be aware of the goals of our economy.	Discuss economic goals such as stable prices, high wages, return on investment, free trade, freedom from government restriction, consumption, technology, competition, etc.
distinguish between wants and needs.	List ten items you have purchased or received recently, and categorize into wants and needs. Be able to justify the items as needs. Present a problem to the group to solve choosing between two desirable or necessary expenditures when only one is possible. Follow up with discussion and questions until the steps in making such a choice can be clearly outlined. Prepare a chart or other visual aid which depicts choice. Have students read, "The American Economic System . . . And Your Part In It." Discuss situations wherein the individuals are required to make economic choices (i.e., work for wages, operate own business, decide how individuals spend money, and whether to buy on credit or save to purchase).



EVALUATIONS

RESOURCES

Evaluate definitions of economics.

An Introduction to Economics Reasoning,
Brooklyn Institute, Garden City, NY.

Free Enterprise in the United States, Wyllie
and Warmke, Southwestern Publishing Company,
11310 Gemini Lane, Dallas, TX 75229.

The American Economic System . . . and Your Part
in it, Economics, Pueblo, CO 81009.

Students will name and explain the basic
problems.

Man's Material Welfare, Modern Talking Pictures,
2323 New Hyde Road, New Hyde Park, NY 11040.

One Man Band, Stock Exchange, 11 Wall Street,
New York, NY 10005.

The American Economy and the Quality of Life,
Westinghouse Learning Corporation, 100 Park
Avenue, New York, NY 10017.

New City Simulation, Southwestern Bell Telephone
Company, Vaseco Inc., 2301 Classen Boulevard,
Oklahoma City, OK 73106.

Teacher can observe class discussion during
activities.

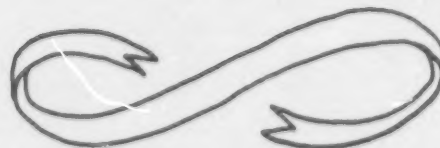
Consumer Choice, Educational Services, Proctor and
Gamble, 2261 Spring Grove Avenue, Cincinnati,
OH 45214.

Adam Smith: Wealth of Nations, Modern Talking
Pictures, see address above.

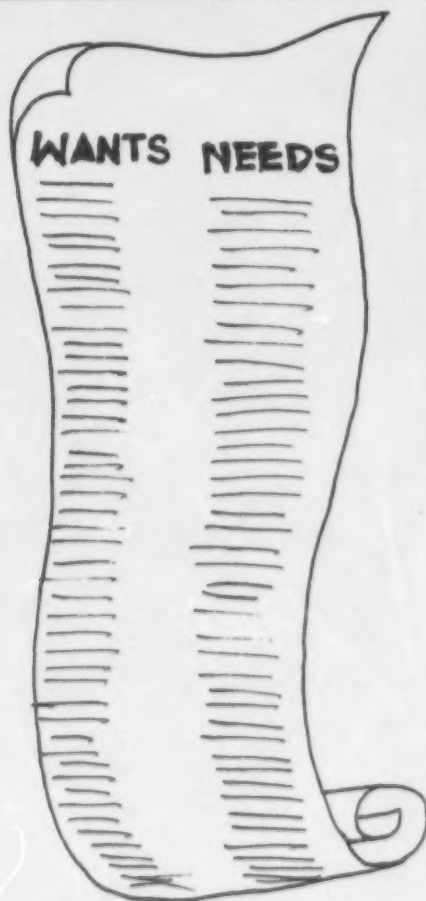
Students will summarize understanding of the
concepts discussed.

Short answer essay or objective quizzes will
be answered by students.

Class discussion on economic choices.



OBJECTIVES**ACTIVITIES**



Have students read and discuss The Search for Economic Security.

Discuss why a basic understanding of economics is important to the individual, and write a working definition of economics as it relates to the consumer.

Use a simulation game such as New City simulation available without charge from Southwestern Bell Telephone Company.

Show a film which depicts our economic system as a choice-making process. (See resources)

Have students discuss examples of the free enterprise system as it relates to them as a consumer, (e.g., greater choice and decision-making). Prepare and present a panel presentation to the class.

Set up a role-playing situation. Divide students into groups. Set up a selection of several goods and services. Have each group select needs and justify. Do identical situation with wants.

Have students list goods and services they utilized for one week. Determine goods and services they did not really need.

Have students list ten consumer items that are considered to be wants and place in priority order.

Have students list ten desired goods and classify the goods as wants or needs.

Understanding: The Free Enterprise System

gain an awareness of the philosophical background (basis) of the free enterprise system.

Show a film on free enterprise. One would be Adam Smith: Wealth of Nations. (See resources)

Define the term free enterprise and list examples of the free enterprise system in operation.

Have students do assigned structured library research on individuals who made major contributions to the philosophical background of the free enterprise system concepts in relation to present economic conditions (St. Thomas Aquinas, Adam Smith, Francois Quesnay, David Ricardo, John S. Mills, Alfred Marshall, Thomas Malthus, John M. Keynes, and William Petty).

understand the five factors of production--land, labor, capital, management, and government.

Select a product. Determine ways in which the factors of production contribute to the finished product.

With a fixed amount of natural resources, show how diminishing returns work by increasing the number of employees which results in a decrease in productivity. (Each employee will produce less.)

EVALUATIONS

RESOURCES

The Search For Economic Security, Education and Community Services, American Council of Life Insurance, 1850 K Street NW, Washington, DC 20006.

World of Work, RMI Media Productions, Inc., 120 West 72nd Street, Kansas City, MO 64114.

Assistant Attorney General, Antitrust Division, Department of Justice, Washington, DC 20530.

Have students classify items from a list as either needs or wants. Justify items checked as needs.

Have students list three major conditions which effect demand for a given item.



Assign an essay test on the major philosophical contributions to the free enterprise system made by the given individuals should be researched and discussed.

The Economic Principles and Practices, Brown and Wolfe, Merrill Publishing Company, 1300 Alum Creek Drive, Columbus, OH 43216.

On a teacher-made test have students match factors of production with specific examples.

OBJECTIVES	ACTIVITIES
	Have students research the money costs involved in a small business (e.g., neighborhood grocery store, barbershop, or service station), share and discuss costs identified.
Understanding: Comparison of Economic Systems	
be aware of the major economic systems.	Divide the class into teams; have all teams research distribution of consumer goods and services. Some teams focus on a common economy, and other teams focus on a market economy. Have all teams report findings to the class.
1. Traditional (African tribe) 2. Market (United States) 3. Command (USSR)	Assign students research products to gather data on the economic systems, and report findings to entire class for discussion.
	Compare and contrast a market economy, traditional economy, and command economy; use the distribution of a consumer product.
identify examples of private and public property.	Ask the students to give examples of public and private property. List in two columns on chalkboard or transparency.
demonstrate an awareness that unlimited wants and limited resources make it important for the individual to consider alternatives in making economic choices throughout life.	Give the students examples of markets. Classify: e.g., purchase of a pro-football player, retail car sales, barbershop services, sale of baked goods, etc.
	Select and discuss goods upon which we are dependent that come from other countries and prepare a list.
	Have students explain in writing likely effects of shortages of a given item, commodity, or choice, and give rationale for each.
	Class skits.
Understanding: The Economy and Its Income	
recognize different kinds of markets.	Have students discuss the following markets: wheat, cattle (auction), money, and cars.
	Have students list five types of markets and match appropriate sales to each.
	1. Wholesale 2. Commission 3. Auction 4. Retail 5. Organized
understand man's need to conserve human and natural resources.	Have students trace a given item or product from initial production through use, recycling, and re-use; compare costs (economic and environmental) of recycling and re-use versus new production.

EVALUATIONS

RESOURCES

Have students select from a list of terms those which identify the money costs in operating a business.

Given a list of characteristics of an economic system, the student will identify the system.

Books:

Animal Farm by George Orwell
Free To Choose by Milton Freedman
The Jungle by Upton Sinclair
Nation of Sheep by William J. Lederer
Ugly American by William J. Lederer

Have students list five examples each of private and public property.

Explain the meaning of unlimited wants and limited resources.

Give a matching test on markets.

Assign an essay test on the need to conserve resources.



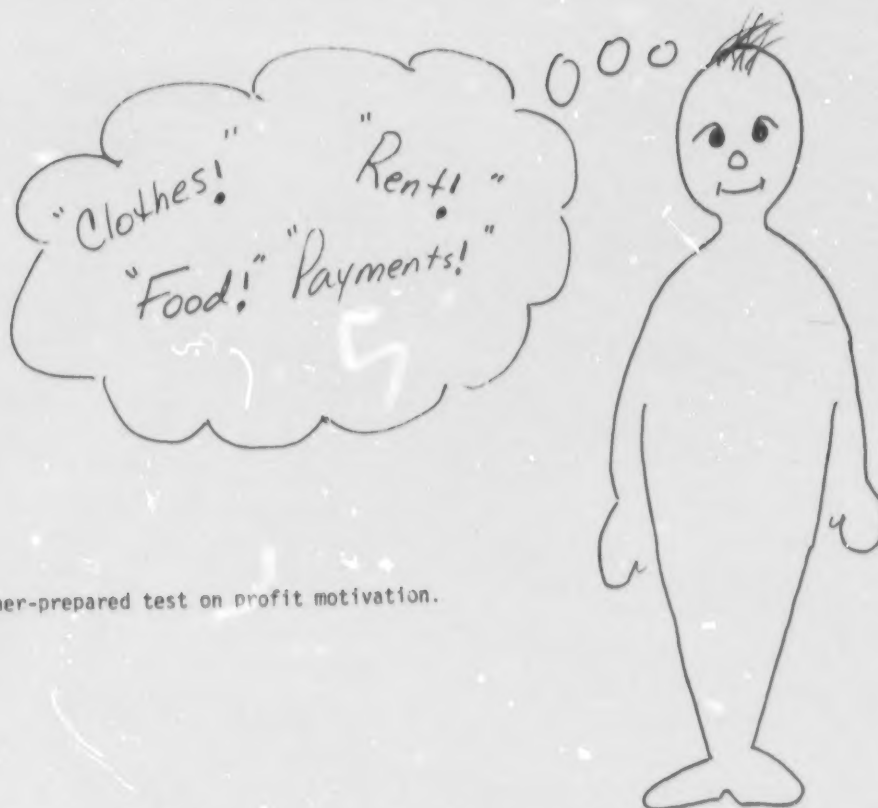
OBJECTIVES	ACTIVITIES
	Engage in a "dream on" session in which students suggest inventions or products that would solve some unfulfilled needs. Have students discuss why these items or products have not been invented and what the first steps would be in developing and marketing them.
	Group discussion--"What would life be like if:
	1. you lived in a domed city under the ocean. 2. you retired at age 45, but lived to be 145 years old. 3. private automobiles were outlawed.
develop an understanding of how personal income is distributed.	Discuss the market value of employees (both male and female labor). Discuss the increased number of female workers. Illustrate with a graph the differences in income and occupations for male and female dropouts, high school graduates, college graduates, and vocational graduates. Initiate a class discussion on the advantages and disadvantages of working wives and mothers (effect on the family, standard of living, expenses of working, and how the second income is spent). Ask committees as a special project to investigate ways the handicapped might work and earn money and also laws helping them to do so. Invite a guest speaker from an employment agency. Discuss with the class the effect of unemployment on our society.
recognize how profit motivation affects the consumer.	Set up a simulation where students act out roles of business owners and consumers. Focus on the concept of profit motivation. Show film about profit motive. (<u>The World of Work</u> is listed in the resources.) Interview local store owners. Discuss the difference between costs of doing business and costs of staying in business.
Understanding: Competition	
define and give examples of business competition.	Have students find examples of competition in the following categories: products, services, industries, etc.
identify and explain at least two ways in which competition is beneficial to the consumer.	Have students examine resource materials (ads), and list positive and negative aspects of competition.

EVALUATIONS

RESOURCES

Section of Inquiries and Correspondence,
Bureau of Labor Statistics, Department of
Labor, Washington, DC 20202.

Essay test over market values of employees will
be given.



Give a teacher-prepared test on profit motivation.

The students will answer essay questions on
why competition is necessary.

OBJECTIVES	ACTIVITIES
identify several ways in which free enterprise relates to each of the four basic freedoms: thought, speech, action, and press.	Have students list ten ways the free enterprise system affects the consumer; then write a paragraph on three of these ways. Have students assimilate data on free enterprise systems, and write reports identifying ways in which the system affects them or an individual consumer of goods and services. Conduct a poster contest on the free enterprise system.
compare and contrast a monopoly and competitive market.	Discuss how competition and monopoly affect supply. Gather newspaper or magazine articles related to monopolies. Justify some government monopolies. Research and discuss effects of the Sherman Anti-Trust Act.
Understanding: The Influence of Labor recognize the significance of labor.	Explain how an unskilled worker receiving \$4 per hour might be overpaid whereas a skilled worker receiving \$6 might be underpaid. Turn to the help wanted section of the newspaper; list in descending order the wages paid for different jobs. Explain the reasons for difference in pay. Discuss the role of the working woman and why so many women have entered the labor force. Show the film, <u>If Japan Can, Why Can't We?</u> Discuss mobility of labor and the trend for Americans to relocate. Discuss the concept of collective bargaining.
Understanding: Debt, Money, and Income understand the function and characteristics of money.	Discuss how money serves as a measure of value, store of value, and a standard of deferred payment. Discuss the myth that money must have intrinsic value, as gold does, in order to function. Students may research the subject of bartering. Class discussion should relate ideas of how bartering was used in early times and even now.
have an understanding of money, debt, and income.	Discuss how income is derived from various sources. Discuss the difference between gross and net income.

EVALUATION

RESOURCES

Evaluate the papers written by the students.

Assign an essay test defining monopoly and competitive market.

Give an objective test on the Sherman Anti-Trust Act.

Prepare and administer a teacher-prepared test.

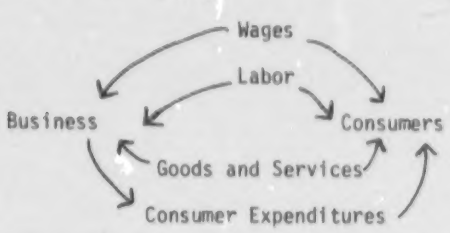
If Japan Can, Why Can't We? Oklahoma State
Department of Vocational Education, 1515 West
6th Avenue, Stillwater, OK 74074.

List five early forms of money and three advantages of having money systems instead of bartering.

The Story of Money, New York Federal Reserve
Bank, 33 Liberty Street, New York, NY 10005.

The U. S. has not operated on the gold standard since World War I. The U. S. dollar is nothing more than a Federal note with a value of only what it will buy in the world economy. Its continued use is based on the faith that people (Americans and others) have in what the dollar will buy.

Give math problems on figuring gross and net income.

OBJECTIVES	ACTIVITIES
	Relate how credit cards might affect life. Discuss cashless society. Relate how debt affects incomes and income affects debt.
Identify sources of individual income. 1. Land (appreciation) 2. Wages 3. Interest 4. Dividends 5. Rents 6. Other resources a. Natural b. Services	List, define, and discuss sources of individual income. Research interest, dividends, bonds, etc., as sources of income and present findings to the class using visual aids and skits, etc. Compare benefits/risks of savings vs. investments. Name different fringe benefits, and discuss why they increase actual income. Identify services that provide an income (baby-sitting, baking, car washing, doctors, etc.).
recognize sources of business income. 1. Profit 2. Land 3. Capital used for production and distribution 4. Interest 5. Dividends 6. Other resources a. Natural b. Services	Make a comparison of individual vs. business investments. List, define, and discuss sources of business income. Solve math problems figuring gross profit and net profit. Discuss windfall profits tax, unemployment tax, and workman's compensation and their effect on the consumer.
define GNP.	Relate GNP to your community by using several examples of businesses and how they utilize consumer spending, business investments, local government, and foreign imports and exports (outside your community). Discuss the circular flow of goods and services and the flow of money.
	 <pre> graph TD Business -- Wages --> Consumers Consumers -- Labor --> Business Business -- "Goods and Services" --> Consumers Consumers -- "Consumer Expenditures" --> Business </pre>

Understanding: Supply and Demand

understand supply and demand.

Chart a commodity on the commodity market over a specified period of time.

EVALUATIONS

RESOURCES

Give matching test on sources of income.

List five sources of business income.

Explain GNP.



Gross National Product, Economics for Our Times
series, McGraw-Hill Book Company, Textfilm
Department, 330 West 42nd Street, New York,
NY 10036.

Teacher observation of students charting
a commodity.

OBJECTIVES	RESOURCES
discuss how mass production and specialization effect supply and demand. understand how conditions effect demand.	To demonstrate the effect of changing economic circumstances on the market, the teacher and students can make up events. (Examples: A strawberry crop yield is down 50 percent, three days are left to buy the Thanksgiving turkey, or steel prices rise.) Prepare a flow chart of producer, consumer, goods and services, land, labor, capital, wages, interest, and profit. Give the student a supply and demand schedule of a product that is relevant to their lives, (e.g., clothing style, transistor radio, and ice cream). Give examples of specialization in service careers, (e.g., medicine, auto mechanic, lawyer, teacher). Discuss mass production and specialization. Devise several role-playing situations that will illustrate this point, (e.g., sports event with limited tickets). Divide students into producers and consumers. Identify with students ways in which the following effect demand: 1. Income 2. Availability and cost of substitute 3. Availability of credit and cost of credit 4. Taste 5. Expectations about future (income change) Interview and tape a local merchants discussion of what happens to a popular product when it is placed on sale. Discuss the factors that bring about a change in supply (good weather for crops, new machines, etc.).

Understanding: Prosperity and Control of Business Fluctuation

recognize how the control of business is effected by:

1. Economic fluctuations
2. Federal reserve
3. Monetary policy
4. Fiscal policy

Discuss the function of banks--depositories, sources of credit, trust departments, etc.

Discuss the depression of the 30's. Invite a senior citizen to talk about the depression.

Discuss recession.

Name and locate the twelve federal reserve banks. Discuss their role in controlling the economy.

Discuss bank discount note, open market operation, reserve requirement, moral persuasion, and presidential credit control as means of controlling the economy.

Relate how federal taxing and spending can have an impact on the economy. Include how money is created.

List five ways in which supply and demand affect the consumer.

TICKETS

Explain mass production and specialization.

Have students list and explain various ways in which the consumer can influence the economy.



Give a teacher prepared test.

OBJECTIVES	ACTIVITIES
Understanding: Economic Growth recognize the importance of economic growth.	Discuss inflation and the impact of technology and labor productivity and economic growth. Discuss the scope of a public economy and government influence on the economy. Discuss the economic cycle: 1. Inflation 2. Recession 3. Depression 4. Recovery
recognize major characteristics of an affluent society.	Debate beneficial and non-beneficial aspects of the affluent society. Compare affluency in the U.S. with affluency in other countries. Discuss with the students poverty, pollution, crime, etc. Design a bulletin board on the affluent society. Bring newspaper or magazines with current social issues (elderly, unemployment, crime) and be prepared to discuss in class.
Understanding: Inflation understand the effect inflation has on consumer living.	Discuss the effect of inflation on fixed incomes. Take a list of ten items and have students' grandparents give the price ten years ago. Compare with prices today. Read and discuss newspaper or magazine articles on inflation. Invite a resource speaker from a financial institution to discuss inflation with the students. Compare wages of 5, 10, and 15 years ago with wages today for several different occupations.
Understanding: International Economic Policy recognize how choices in other nations affect the consumer's way of life in our country.	Select and discuss events in history which emphasize cause and effect relationships. Use examples of the energy crisis, grain and cattle market, aircraft industry, military production, etc. Discuss the law of comparative advantage which relates how production can be maximized where each nation specializes in making those things in which it has the greatest relative advantage.

EVALUATIONS

RESOURCES

Class discussion on inflation.

Given a list of events, identify the phase in the cycle.

List five characteristics of an affluent society.

List three ways inflation effects your life.

Explain why we trade with other countries.



OBJECTIVES

ACTIVITIES

Discuss the reasons given by protectionists for interfering with the flow trade--American car, TV, and shoe industry are good examples. Discuss the fact that all nations rely on imports since no nation is completely self-sufficient. Include traffic and barriers.

Make a chart/poster on free enterprise and one on a communist controlled economy.

Have students select two or three scarce items in the world; then, watch the fluctuation of the price of that item and have a class discussion about the findings and observations.

Understanding: General Economic Problems

be aware of ways in which the consumer influences the economy.

Divide the class into four groups representing each of the four freedoms. Have groups list ways in which these freedoms relate to free enterprise.

Set up a situation where a producer holds beef from the market. Have students determine what the consumer might do to upset this strategy.

Discuss the effects of a boycott.

Discuss instances in which parent(s) is/are producer(s) of good and/or services.

Provide students with a specified service industry, and have them list related services and producers upon which this one depends.

cite reasons why conservation is the consumer's responsibility.

Debate a current issue, "Is there a shortage of (you fill in) _____?"

Have students conduct a campaign to conserve on resources.

Have students list and rationally defend at least three reasons that man needs to conserve natural resources.

Assign library research on the shortage of natural resources and what solutions are being considered (e.g., water, oil, gas, coal, land, forests, etc.).

Conduct a poll to determine whether people agree that our country does have shortages in resources.

Make posters on ways to conserve a resource.

Develop a questionnaire about your efforts to conserve resources. Poll at least 20 people. Discuss and evaluate results.



EVALUATION

RESOURCES

Name the four freedoms, and relate each to free enterprise.

List four ways in which the consumer influences the economy.

Self-evaluation is to be done by students.

Choose a natural resource, and defend why it should be conserved.



ROLES, RIGHTS, AND RESPONSIBILITIES

GOAL: The students should recognize and understand various roles in our society and have the knowledge of consumer rights and responsibilities necessary for consumer competency.

Understanding: Roles in Society

OBJECTIVES	ACTIVITIES
The student(s) will: recognize and understand their individual roles in our society. identify and analyze the contributions of the worker as a producing member of the community. 	Discuss the role of the student and parents in society. Interview a foreign student and/or someone who has lived in another country to determine consumer rights in other countries. Have students make a list of all jobs associated with the production and distribution of one or more of the following products (from the natural resources to the finished product): jeans, pencil, milk, paper, automobile tires, or glass. Assign a special library report on producers/workers of different countries. Compare and contrast their roles with that of producer/worker in our country. Have students respond to questions such as those listed below. Use student responses as a basis for class discussion. 1. What are your abilities? 2. How do you use these abilities to be a productive member of society? 3. What are some of the ways in which people can produce goods and services? (Do not forget non-income producing roles such as homemaker, family member, and volunteer.) 4. Does everyone produce to maximum ability? 5. What effect does productivity have on employers: You, as a producer, other producers, price, and availability of goods and services? List the jobs associated with the production and distribution of a product. Have students interview workers (using a variety of occupations) to find out how they feel they are effected by: Labor unions, working hours, job benefits, attitudes of employers, rate of pay, training and retraining provided, job satisfaction, and training and/or education for job entry and promotion. Invite a representative from a department store or a small business owner in the community to explain the effects of consumer choice on their business firm. Have each student select an adult acquaintance; analyze the roles the adult plays, and list some of the ways he/she serves as borrower, buyer, saver, and investor.

demonstrate an understanding of the role of the consumer as the final determiner of what is produced on a continuing basis in the marketplace.

EVALUATION

RESOURCES

List three characteristics of the responsible consumer in each of the following roles:

1. Spender
2. Borrower
3. Saver
4. Investor

Evaluate reports.

Magazines:

Consumer Reports, Consumer Union of the U. S., Inc., 236 Washington Street, Mount Vernon, NY 10550.

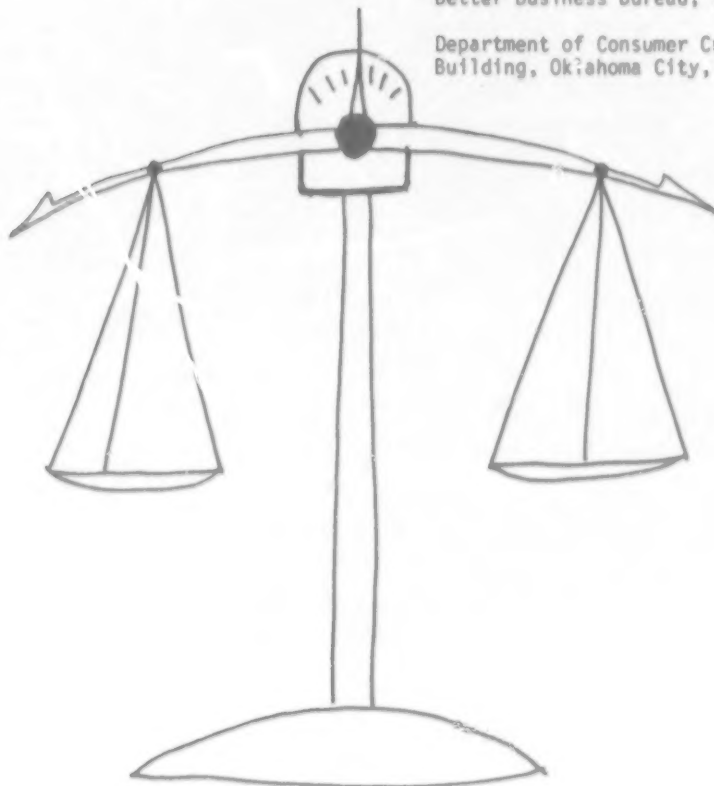
Consumer Research, Consumers' Research, Inc., Washington, DC 07882.

Money, Time, Inc., 541 N. Fairland Court, Chicato, IL 60611.

Penny Power, same address as Consumer Reports.

Better Business Bureau, local offices.

Department of Consumer Credit, B-82, Jim Thorpe Building, Oklahoma City, OK 73105.



Evaluate lists.

OBJECTIVES

ACTIVITIES



be aware of and be able to differentiate among the roles that individuals assume as citizens.

Have students ask adults to explain the multiple roles they assume. Compare student roles and those of adults. Assign students to write a report about the multiple roles they may assume as adults. Students might predict problems they foresee in performing all these roles.

Investor and saver: Alice, a 21-year old career girl, inherits \$10,000 in stocks and \$2,500 in cash from her grandfather. She wonders what to do: spend, save, or invest the money. A family friend, who says he is very knowledgeable about such things, offers to advise her free-of-charge. Her local bank offers savings and investment advice. Also, there is a licensed stockbroker in her town. She will be charged a fee by her local bank and the stockbroker. Have students advise Alice, after doing research, on how to best use her inheritance.

Have students discuss how they are "voting" for a product to stay on the market when they buy it. Obtain a copy of a mail-order catalog published several years ago to find out what items have been "voted" out in the current catalog.

Have students construct posters of cartoons depicting actions of the consumer (buyer) "voting" for or against a product or service.

Ask the students "If you wanted to buy a ten-speed bicycle but did not have \$110, where might you go first to borrow money?" Find out from research where most people borrow. Why?

Have a panel discussion groups:

1. What characteristics and/or habits describe the responsible borrower or spender?
2. What part does saving and investing play in the continual growth of production and employment?

Have students discuss consumer spending they have done recently. List some of the items purchased. Discuss: "What was the real opportunity cost of each item listed?"

Have students prepare a chart listing the various roles of a citizen; individual, family member, voter, taxpayer, etc. Students will then choose a current issue and explain how it effects them, their family, and society. (Example: Income tax revision legislation.)

Conduct a straw poll for class officers. Discuss "Will your choice be made for the most able or the most popular?"

Discuss the question: "As a responsible citizen, should we put the general welfare over individual welfare whenever a choice between them is necessary?"

EVALUATION

RESOURCES

The Radical Consumers Handbook, Goody K. L. Solomon, Ballantine Books, 201 East 50 Street, New York, NY 10022.

Economics of the Consumer, Marc Rosenblum, Lerner Publications Company, 241 First Avenue North, Minneapolis, MN 55401.

Evaluate student advice.

Evaluate poster.

Evaluate discussion.



Identify and list six goods or services provided in the local community through the use of tax money.

OBJECTIVES

ACTIVITIES



identify, analyze, and clarify their own roles as producing, consuming citizens in our society.

Have students work in groups to evaluate and then report to the class their reactions to:

1. Why should I exercise my right to vote?
2. If I do not vote, is this a vote?
3. How does my vote effect the level and type of taxation?
4. How does my vote effect the amount and character of government spending?

Have students list ways that citizens, through apathy, carelessness, ignorance, and dishonesty, cause unnecessary use of tax money.

Ask a community resource person (state representative or city official) to speak to the class on the topic: "Communicating more effectively with elected officials."

Have students identify legislative officials from their local district. Contact them for a list of pending legislation. Divide the class into two groups; ask each group to select a bill and report its progress (use newspapers, personal contact with legislators, magazines, television, and radio as sources of information).

Have students look at the employment and help wanted section of the newspaper. Select an advertised job that lists salary or rate of pay. Calculate the yearly pay for the job. Role play: Count out in imaginary money the total money earned for the year. Remove one-third or four months' pay to represent local, state, and federal taxes. Discuss the benefits to the citizen from the use of these taxes.

1. What does the money purchase? (List)
2. Why do we employ government to perform the functions the money purchases?
3. Who carries out government functions?
4. Where does the government get its authority to tax and to perform services?
5. List ways individual citizens can participate in directing how tax dollars are spent?

Students will evaluate: "For the representative form of government and the free enterprise system to thrive, involvement is essential; or else our decisions will be made for us and we will indeed be the silent majority at the ballot box and in the marketplace."

Have students develop listings of personal actions which depict them as responsible producers, consumers, or citizens.

Have a local retailer talk to the class or to an assembly about consumer-retailer relationships.

Brainstorm: How can average citizens cut the cost of public services, private services, etc.? (Example: Littering, vandalism, shoplifting, etc.)

EVALUATIONS

RESOURCES

Foot in The Door, Film-fare Communications,
10900 Ventura Boulevard, Studio City, CA
91604.

There Is A Law Against It, see address above.

On Your Own, see address above.

Administer teacher-prepared test.



Give essay test on students' evaluations.

Understanding: Rights and Responsibilities (Right to Safety, Right to be Informed, Right to Choose, Right to be Heard, and a fifth Right to Protection)

OBJECTIVES

identify characteristics of goods and services that might endanger life or safety.



ACTIVITIES

Invite a local representative from a manufacturing firm as a resource speaker to discuss the firm's standards for safety and standards prescribed by government regulations.

Given a specific category of products (toys, tools, car, etc.) identify characteristics which affect safety of the item which one should check or examine when making a purchase decision.

Have students collect and bring to class various safety seals and labels (UL, Blue Star Warranties, Good Housekeeping, Etc.) and discuss how this product earns this seal.

Discuss the value of warranties.

Choose a specific product which you or your family purchased recently. Discuss major factors which prompted the purchase of this specific item rather than another item of the same nature. Which, if any, safety factors were taken into consideration before purchase?

Assign a student committee to collect pamphlets on the warranties from different automobile manufacturers. Have the class carefully study the warranties, discuss the costs of various services such as brake overhaul, tune-up, and routine oil changes which are seldom covered by warranty.

Bring car instruction booklets and owner/operator manuals to class for discussion. Analyze for clarity and sufficient information. Discuss the importance of the consumer keeping these booklets and filing methods which could be utilized in keeping the records.

Have each class member select one product from each of the following that is present in the home and evaluate it for safety: toys, clothing, food, appliances, tools, etc. Develop a list of five questions to use when determining safety of each of the products.

Have students identify at least three consumer products and practices which are harmful to the environment and at least one way in which each situation could be corrected.

Select a student committee and pick a product for which there is some identifiable risk, and see if they can determine the safest make or model on the local market. Are any of the products identified with a safety seal of approval? Suggestion: look at lawn mowers, ladders, or power saws. Is there an identifiable greater cost for safety features?

EVALUATIONS

RESOURCES

Give matching test using the categories of products and the safety characteristics.

Freedom Forum, Valley Forge, PA 19481.

Of Consuming Interest, Federal State Reports, P.O. Box 386, Court House Station, Arlington, VA 22216, (bi-weekly newsletter).

Safe Toy Environments, local J. C. Penney store.

Give objective test on warranties.

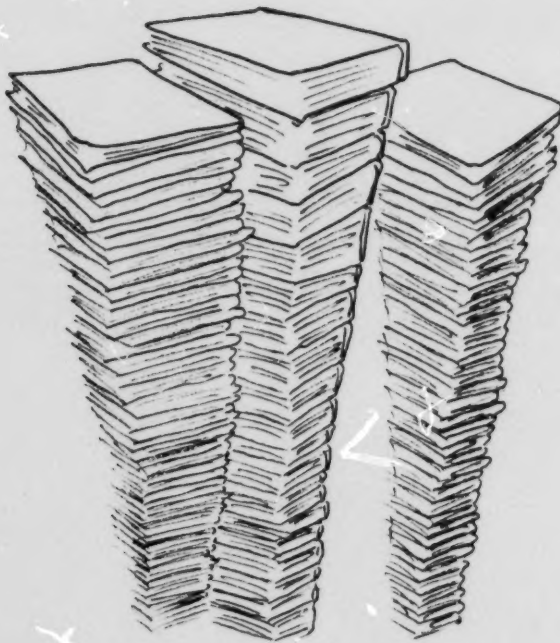


Administer essay test on one of the harmful consumer practices and/or product which the students identified.

OBJECTIVES

be aware that individuals must act responsibly if safety of self and others is to be enhanced.

analyze product information published by government agencies, non-profit testing associations, and businessmen in making decisions.



RESOURCES

Invite a resource speaker from a manufacturing company to discuss, "Observing Safety Rules for the Benefit of All."

Ask resource people to speak on safety in their field (law, medicine, food, etc.).

Have students collect and arrange a display of product ads, labels, etc. Students should identify information on the ads and labels that would lead to making a satisfactory purchase and would help in caring for and using a product.

Have a panel discussion on the pros and cons of advertising to the consumer and the responsibilities of the consumer to evaluate the information provided.

Students can be assigned to select from a current magazine or newspaper the advertisement that they find least helpful and most helpful in providing useful information and prepare a critique of the ad to share with the class.

As a class project, compile a "Where To Look Guide" for information on one or more of the following:

1. Pending consumer legislation--federal, state, or local
2. Existing consumer legislation
3. Government agencies that inform and protect the consumer
4. Private agencies that inform and assist the consumer

Outline and discuss proposed consumer legislation in light of waste, potential benefits, and other possible alternatives.

Discuss the need for, and problems involved in, producing the following types of consumer information:

1. Unit pricing
2. Open dating on perishable foods and products
3. Nutritional values of foods
4. Ingredients in cosmetics

Assign independent study projects. Ask students to consider, "If you were going to buy something (a car stereo) what information would you need and where would you get this information?" Each student will choose a product or service and make a list of the kinds of information needed and sources for obtaining this information.

Assign a group from the class to collect information and pictures of sources of consumer information and prepare a collage for classroom display.

EVALUATIONS

RESOURCES

Student should write a report on "My Responsibility for the Safety of Self and Others."

Provide students with product information about three similar products. Have students compare and choose the best purchase and write a rationale for the choice.

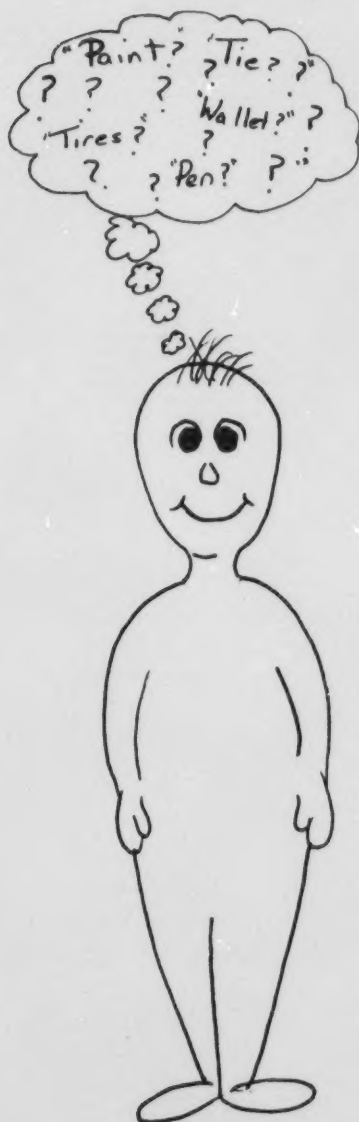
Evaluate critique.



Evaluate discussion.

OBJECTIVES

recognize their responsibility to compare information and characteristics of goods and services in order to select the alternative which best meets their needs.



ACTIVITIES

Have students discuss: John believes that no restrictions should be placed on the contents of ads. He feels that consumers should simply accept advertising as an attention-getting device, and base their purchasing decisions on other sources of information. Do you agree with him? Support your answer.

Ask students to share personal experiences that show how pre-planning helped in making wise decisions in buying goods and services, or how lots of planning effected your purchase.

Have students justify, in a paragraph, purchasing a particular bargain or sale item which they do not presently need.

Have students list restrictions on the consumer's right to choose from a variety of products at competitive prices. Discuss: "Under what circumstances would you agree to have your right to choose restricted?"

Topic for debate: "The trend today is toward greater (lesser) choice for the consumer."

Have students find out what store or generic brands are offered in the drug store or grocery store where their family usually shops. Have them make a list of five product categories in which the store offers store brands, generic brands, and manufacturers' brands. List all the brands offered in each of the five product categories, along with the price, and whether the brand is a store, generic, or manufacturer's brand. Compare brands of each product.

Discuss: "Dollars spent are the votes consumers cast for or against certain products or services, business organizations, economic policies, etc." (quality, prices, law)

For each article listed below, tell whether you would choose to buy a higher quality item or whether you would choose a lower but acceptable quality item and be prepared to defend your answer.

1. Outdoor paint for your two-store frame home.
2. Tires for the car your brother drives a few miles into town to work each day.
3. A tie to go with a sport coat you wear often.
4. A wallet to give your father who is a salesman.
5. A ballpoint pen for school use.

Discuss: "Should individuals have the right to purchase a gas guzzler automobile or should the individual be restricted to the purchase of a more energy-efficient vehicle?"

"Dollars spent
are votes cast
by the Consumer."

Give essay test on the student's justification
of their particular items.

Evaluate lists.



Give teacher-made test on matching higher
quality items to lower quality items for
the best price.



OBJECTIVES

ACTIVITIES

know how to communicate to the proper sources documented complaints and suggestions.



Divide the class into five groups to discuss and report to the class.

1. When is a bargain truly a bargain?
2. Why are sales held?
3. What types of sales are held?
4. What should be considered in making a decision to buy an item on sale?
5. What are leaders?

Discuss some of the ethical responsibilities of consumers. What effects do shoplifting, refunds or exchanges of products abused by the consumer, unnecessary return of goods due to careless buying, have on business?

Have students choose several kinds of consumer goods (shoes, clothing, washing machines, cars, etc.) and survey the local market to find out the variety, quality, and price of the goods available. Choose a particular time period to compare; then talk to older persons; check old newspapers, magazines, catalogs, or other sources and compare the present prices to the past prices.

Ask the students to analyze, in writing, the statement: "A legal right is not a reality unless individuals know what their rights are and how to obtain them."

Have students find out about consumer protection agencies in Oklahoma and find out if their city has a local consumer protection agency. Discuss specific ways a consumer can use these agencies. (In Oklahoma write the local district attorney's office.)

Have the class write a letter to a manufacturer to voice a complaint or make a suggestion concerning a specific product. Explain the responses from the business in class.

Discuss with students: "Is there a need for controlled freedom of speech and proper use of the right to be heard?"

A long-held complaint of consumer activists is that business is unresponsive to consumers' legitimate needs. The consumer typically is not able to get complaints satisfactorily resolved by companies and business organizations. If this is true, how can you, as a consumer, overcome this barrier? Would more government regulation and protection be the best solution? Can better informed consumers help in improving the situation?

Plan a panel on "Consumer Satisfaction and Product Improvement." Panel members should be representatives from business, government, and consumers.

Invite a resource person to speak on how complaints are handled (telephone, OG&E, etc.).

CONSUMER COMPLAINT LETTER

Administer essay test on the responsibilities of the consumer.

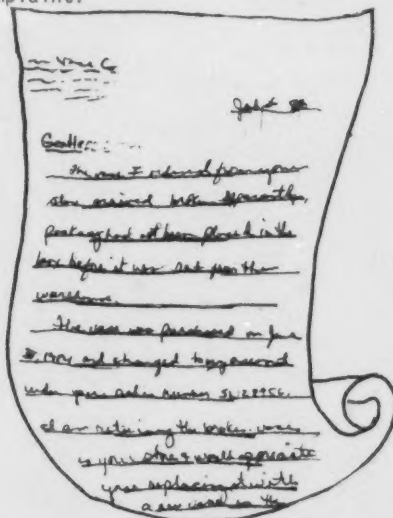
This letter is called a claim or adjustment letter. The person writing a claim letter is interested in one thing: Satisfaction. If the merchandise is faulty, the person wants it replaced at no cost or inconvenience. If the service is poor, the person wants an apology and assurance that the service will improve. The person may even want some compensation for the inconvenience. If an error has been made, the person wants it corrected.

- Rule 1. Do not write the letter while you are angry. Cool off first.
- Rule 2. Explain carefully and tactfully what is wrong. Avoid negative accusations or threats, such as "I demand," "you will have to," or "unless you."
- Rule 3. Include any details necessary for identifying your claim--date, catalog numbers, styles, order numbers, invoice numbers, etc.
- Rule 4. Let the company know what you expect them to do. Do not be unreasonable. If your electric toothbrush breaks just prior to the warranty expiring, do not ask for a new toothbrush, ask that it be repaired.
- Rule 5. The nature of the claim itself will determine whether you will need to write a simple or a persuasive claim letter.

Give objective test on consumer protection agencies.

SIMPLE CLAIMS

Have the students write a letter of complaint about a product giving specific nature of the complaint and what it will take to resolve the complaint.



- 1. Make a tactful statement of the situation in the opening paragraph.
- 2. Details needed to process the claim and the specific action the customer desires should follow the direct statement.
- 3. Conclude your letter with a statement of anticipation regarding the satisfaction of his/her claim or some type of goodwill statement.

Gentlepersons:

The vase I ordered from your store arrived broken. Apparently, packing had not been placed in the box before it was sent from the warehouse.

The vase was purchased on June 30, 1984, and charged to my account under your sales number SL123456. I am returning the broken vase to your store and would appreciate your replacing it with a new vase in the same pattern and color.

The vase is to be a special gift for my grandmother, so I would appreciate receiving the replacement by July 20, 1984.

Sincerely yours,

OBJECTIVES

identify and describe types of businesses, government, and independent agencies which can supply aid and protection to the consumer.

ACTIVITIES

Use resource people from the district attorney's office, Food and Drug Administration, Legal Aid Society, etc., to discuss consumer protection laws.

Debate topic: "The consumer is (is not) over-protected."

Ask for student volunteers to research and prepare a report about the history of consumer protection.

Ask for students to volunteer to interview several business persons about protection they feel they offer the consumer.

Assign a group of students to inquire about the jurisdiction of these consumer agencies:

Public:

1. U. S. Office of Consumer Affairs
2. U. S. Federal Trade Commission
3. U. S. Postal Service
4. U. S. Food and Drug Administration
5. Office of Oklahoma Attorney General
6. Local law enforcement officials

Business Trade Associations:

1. National Automobile Dealers Association
2. Association of Home Appliance Manufacturers
3. American Mover's Conference
4. Better Business Bureau
5. Other state and national associations

Have students do research on current problem areas below and then discuss the need for greater or less government regulation:

1. Pollution
2. Littering
3. Street lighting
4. Utility services
5. Police protection
6. Fire protection
7. Energy

Divide the students into groups to identify a law that needs revision or a product or service that needs upgrading. Have students study and document the current status and write to the appropriate agency or manufacturer offering their specific suggestions for improvement.

Over a period of at least a month, collect newspapers and magazines about the work of federal regulatory agencies. Discuss the items and then display on a bulletin board.



EVALUATIONS

Have students list five agencies that protect the consumer.

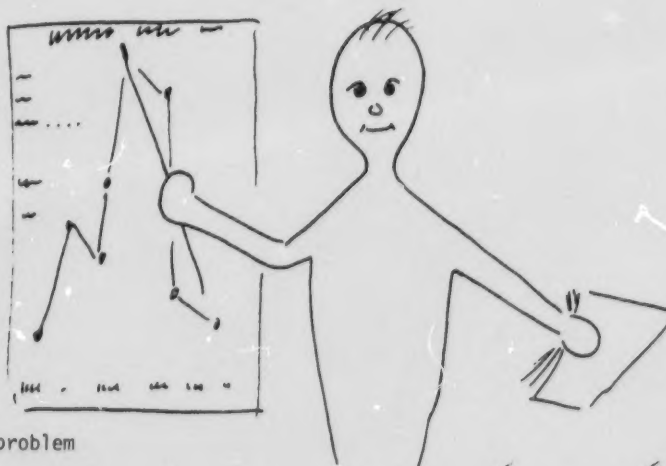
RESOURCES

Agencies That Protect the Consumer, Universal Education and Visual Arts, 100 Universal City Plaza, Universal City, CA 91608.

Consumer Protection, Media Resources Center, Iowa State University, 121 Pearson, Ames, IA 50010.

Consumerism: Let The Seller Beware, Education Division, Document Associates, Inc., 573 Church Street, Toronto 285, Ontario, Canada.

Give objective test on the different consumer agencies.



Give essay test on one of the current problem areas.

OBJECTIVES

ACTIVITIES

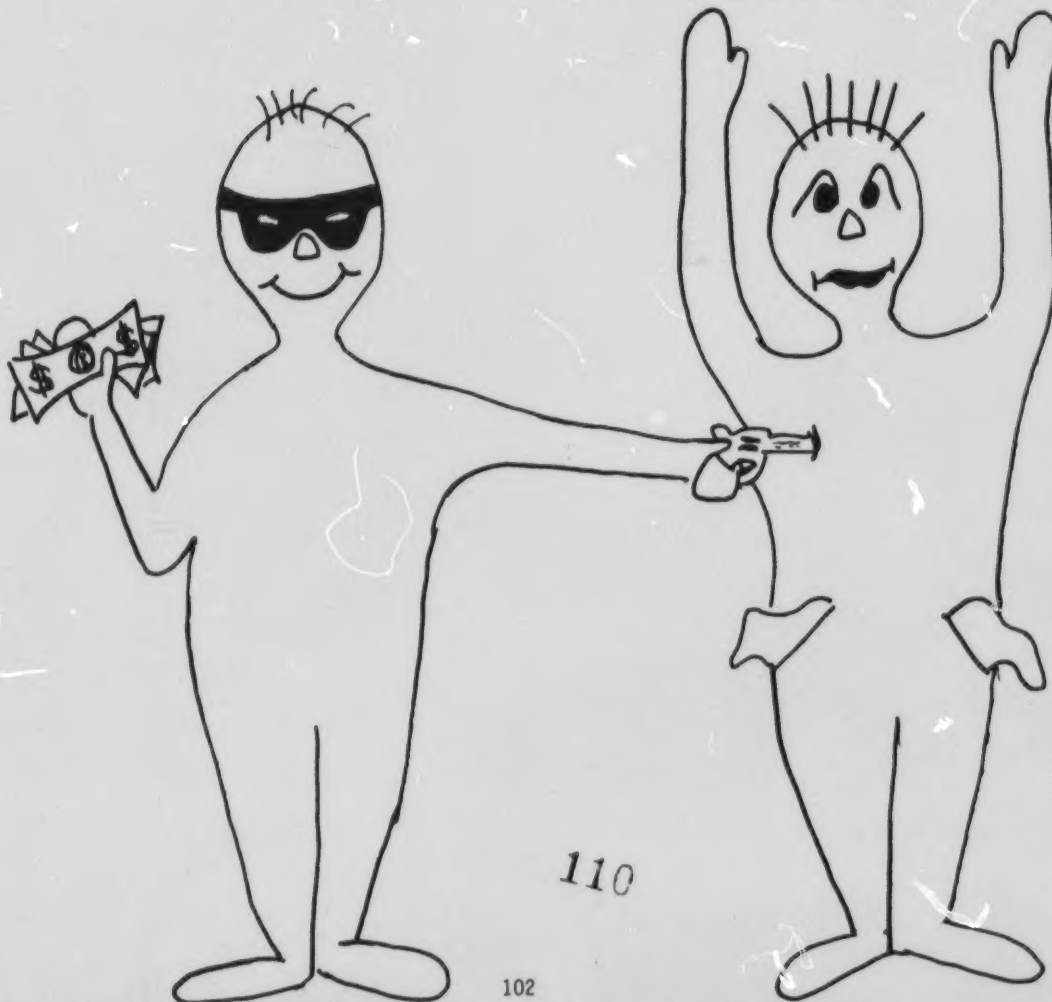
Have students present arguments for and against grade labeling as a protection for the consumer. Do research to find out what kinds of products are suited to a system of grade labeling and what kinds are not.

Have students dramatize facets of life without rules and laws:

1. Schools without regulations
2. A home in a community without laws to protect the homeowner
3. A highway without motor vehicle regulations
4. Pedestrians on city streets without pedestrian regulations
5. Stores without protection from theft

Have students bring various labels to class. Discuss the information on the labels and how it protects consumers and helps them to spend their money wisely.

Invite a resource person to speak to the class.



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EVALUATIONS

Evaluations for these activities and all the previous ones can be accomplished through:

1. Teacher prepared tests
2. Standardized tests
3. Conference or interview
4. Self-evaluation by students
5. Written or oral reports
6. Participation in class discussion
7. Case problems
8. Demonstrations
9. Checklists
10. Teacher observations.

RESOURCES

Help, Consumer Laws, Inc., Washington, DC 20045.

Insights into Consumerism, Redress--The Burning Issue, J. C. Penney, 1301 Avenue of the Americas, New York, NY 10019.



CONSUMER INFLUENCES

GOAL: The student should be able to identify the major component parts of group influences, individualized influences, human resources, and material resources which effect their consumer decision making and analyze how these can be used to alter their current consumer behavior.

Understanding: Peers and Family/Tradition/Society

OBJECTIVES	ACTIVITIES
The student(s) will:	
explain the implications of consumer decisions as a result of social status, peer pressures, traditions, and family pressures.	Have students bring five or more pictures of objects they desire and would buy if circumstances permitted and rank these in order of desirability. The class should collectively rank these objects in terms of importance. This should be done at the beginning of the unit and at the end of the unit. Discuss the differences in personal and group ratings and relate to differences between personal and societal goals.
be able to identify those factors that influence their individual economic decisions.	List two recent purchases and identify the factors which influenced the decision.
be able to identify the economic goals of society, and relate them to current economic affairs and to their own goals.	Have a class auction of articles which class members might purchase. After the auction, have the class members explain and analyze the factors that determined their purchases and compare decisions.
demonstrate an understanding of the effects of big business on consumer decisions.	Invite community members from different stages of life (or have students role play): students, single adults, newly married couples, beginning families, growing families, and retired people. Discuss changes in values, goals, and how these affect one's consumer behavior. Have students analyze the major influence on each of the different categories of people.
	Show the film, "The Money Tree," and have the students pick out which factors in each area influenced the character's decision and how they used their resources (wisely and unwisely) to achieve their goals. What were their economic goals?
	Have students research current magazine and news articles for evidence of the impact of big business on the consumer, and identify positive and negative effects.

EVALUATIONS

RESOURCES

Give an essay test.

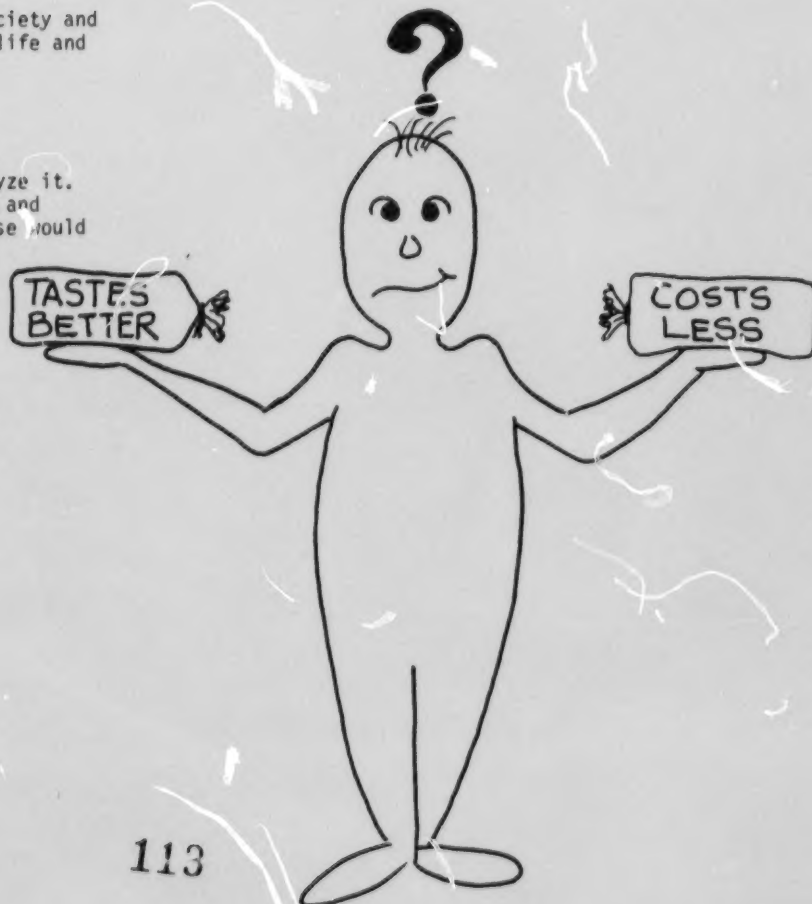
Contacts in Consumerism, Frazee Associates,
1800 K Street, NW, Suite 1066, Washington,
DC 20006.

Directory of Consumer Organizations, Office
of Consumer Affairs, U.S. Department of Health,
Education and Welfare, Washington, DC 20201.

Identify two economic goals of society and
tell how they have affected your life and
personal goals.

Select a recent purchase and analyze it.
List what influenced the purchase, and
discuss whether or not the purchase would
be made again.

Use teacher-made tests.



Understanding: Advertising

OBJECTIVES	ACTIVITIES
explain the purpose and practice of advertising in the American economy.	Bring to class examples of ads, and discuss what makes each of them effective with reference to informing the public. Discuss the role of advertising in the American economy. - To inform - Information about new products - Information on prices of products - Information on quality of products - Information about services available to the public - To persuade a consumer to purchase a particular product
interpret advertising in terms of personal resources and individual goals.	Find examples of advertising which uses each of the following appeals in selling products: - Sense of humor - Sense of obligation to your family - Sense of style - Feelings about personal appearance or physical problems of your age - Acceptance by others - Intelligence - Desire to do well in your studies - Desire to do well in sports - Sense of curiosity - Love of music - Sense of social obligations - Creativity
	Design a bulletin board illustrating the twelve techniques. Study each advertisement to find possible misleading advertising. Prepare a skit selling a product or service. Video tape and analyze the approach used and information given. Use simulation, <u>Consumer Advertising</u> . (See resources.) Use the film, <u>Advertising--Information, Persuasion, or Deception</u> . See Journal Films in resources.
demonstrate knowledge of the media in advertising.	Have students create simple ads for each of the media. Use small groups to do research on the cost of media advertising. Have a panel research the costs of advertising using different media and report results to the class.

EVALUATION

Assign essay questions on the role of advertising.

Interpret selected advertisements in terms of personal resources and individual goals.

Evaluate students' ads.

RESOURCES

Consumer Advertising, Proctor and Gamble, Educational Surveys, P. O. Box 14009, Cincinnati, OH 45214.

The Money Tree, Consumer Credit Counseling Services, 2519 Northwest 23, Oklahoma City, OK 73147.

Advertising and Consumer Motivation, J. C. Penney, local stores.

Advertising--Information, Persuasion, or Deception, Journal Films, 909 West Diversey Parkway, Chicago, IL 60614.

Better Business Bureau, local office.

Facts You Should Know About Advertising, Association of Better Business Bureaus, One Greenwich Plaza, Greenwich, CO 06830.

Getting Down to the Basics About Advertising, Proctor and Gamble Educational Services, P. O. Box 14465, Cincinnati, OH 45214.

Some Questions and Answers About Advertising, American Advertising Federation, 1225 Connecticut Avenue, N. W., Washington, DC 20036.



OBJECTIVES

explain the functions and costs of lobbying in our society.

differentiate between unions and associations and understand the functions and purposes of each.



recognize the effective use of resources and the need to protect our environment.

ACTIVITIES

Invite a professional lobbyist as a guest speaker.

Discuss orally and then summarize in writing the following:

1. What function does lobbying serve?
2. Does lobbying occur in the family?
3. What costs are involved in lobbying? Are there any hidden costs?
4. How do congressmen "get things done" in representing their constituents?

Collect news clippings on key issues being negotiated.

Compare and contrast labor unions and associations.

Discuss the following questions:

1. How are labor unions and associations different?
2. Why do workers join?
3. What kinds of benefits have they secured?
4. What kinds of influence do labor unions and associations have on the various levels of government?
5. When labor unions negotiate wage raises and associations set schedules, what happens to you? What happens to the economy?
6. How do strikes or work stoppages effect you?

Have students discuss with parents or relatives the influence of the union(s) or association(s) to which they belong.

Debate: "Should all workers have an equal and unlimited right to strike?" (public employees)

Have students trace the history of standards of living, working conditions, and legislation concerning labor unions and associations.

Ask the students to write the Army Corp of Engineers for materials and maps of the local area. Assemble a picture exhibit of the different types of land use: city, open space, industry, farming, mountain, land fill, strip mine, etc.

Select a local environmental issue and conduct a class discussion on the following: Who is involved? What does it cost? Who benefits from it? What are opposing views? What does the future hold? How does it effect me?

EVALUATIONS

RESOURCES

Give an essay test on the four questions.

Use teacher-prepared tests.

AFL-CIO, 815 16th Street, NW, Washington,
DC 20006.

I Can Sell You Anything, Ballentine Books,
Educational Department, 201 East 50th Street,
New York, NY 10022.

Persuasion Box Learning Kit, Learning Seed
Company, 145 Brentwood Drive, Palentine,
IL 60167.

What Does Advertising Do For the Consumer?
National Business Council for Consumer Affairs,
Department of Commerce, Washington, DC 20230.

Corp of Engineers, P.O. Box 61, Tulsa,
OK 74121.



OBJECTIVES

identify the role of the media and its influence on consumer behavior.

ACTIVITIES

Have the students discuss orally or in writing the following: Will there always be waste? Who will pay for environmental clean up? Is a sanitary landfill really sanitary?

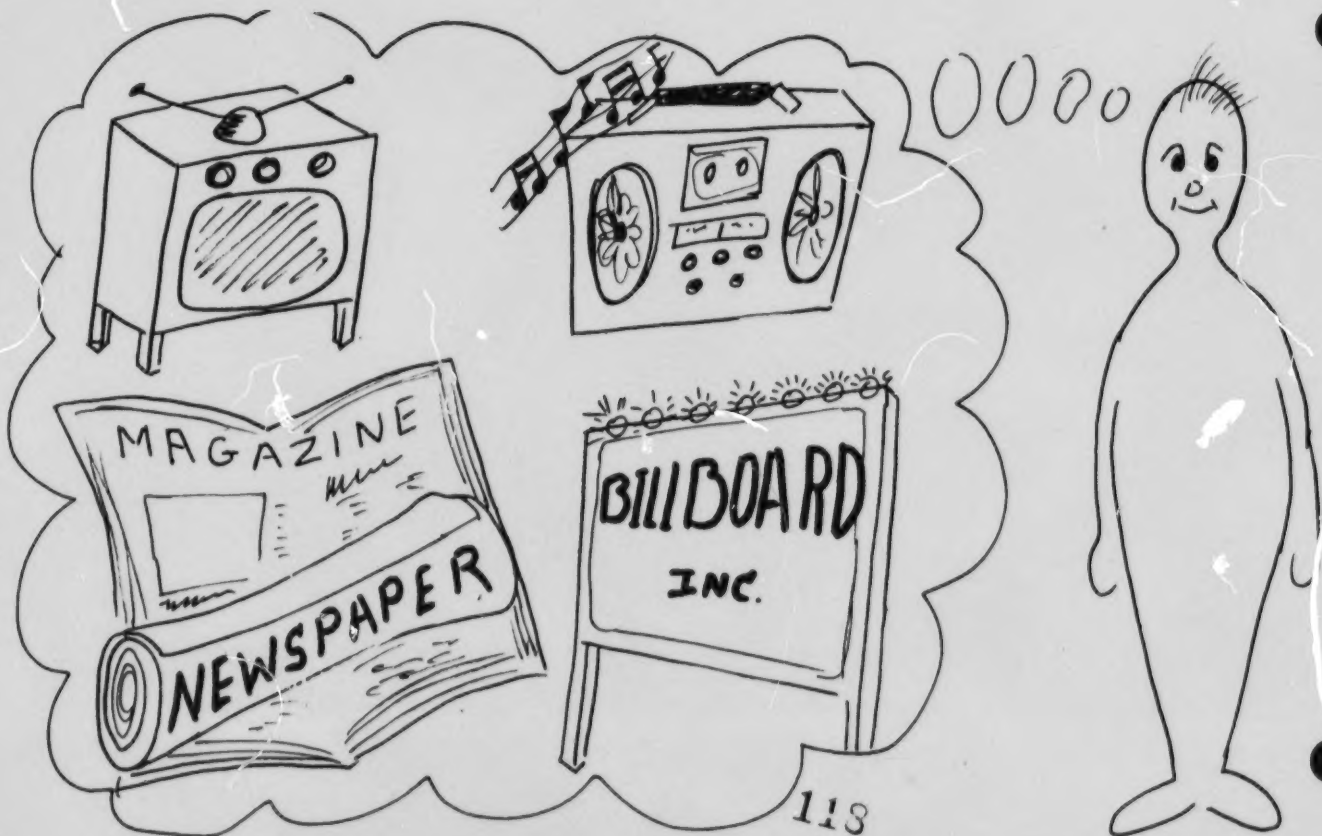
Have students compare two TV shows. Do these shows reflect the values of the American consumer?

Ask the students to respond to the following questions:

1. Which media makes you want what you want?
2. What media has generated wants for you in the last 24 hours?
3. How have changes in media effected our life styles?

Conduct a class discussion on the positive aspects of television, radio, and publications.

Students will make a list of the biases found in various media sources.



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EVALUATIONS

Administer an essay test on the students' ideas.

Assign an essay test on the four questions.

Evaluate lists.

RESOURCES

Environmental Protection Agency, Washington, DC 20460.

Federal Energy Administration, Energy Conservation and Environment, Washington, DC 20461.

Office of the Secretary, Federal Trade Commission, Washington, DC 20580.

Federal Trade Commission, Suite 2665, 200 Bryan Street, Dallas, TX 75201.



MONEY MANAGEMENT

GOAL: The student should evaluate their own values and goals and indicate how this effects planning a budget effectively, buying wisely, and understanding and appreciating good savings and investment opportunities.

Understanding: Values and Goals

OBJECTIVES	ACTIVITIES
The student(s) will:	
evaluate their own personal values and goals, and relate them to money management.	List 15 activities you enjoy. State how much they cost, whether you do them alone or with others, and when was the last time you did that activity. What do your answers show about your goals and values and what you want from life? Complete goal questionnaire. (See resources) Discussion: "Is there a distinction between values and goals?" (Is there a gap between what one professes as his/her values and how he/she lives?) Present a mini-drama to illustrate how some individuals become so enthusiastic in response to the appeal of mass media and the mass market that they throw caution to the wind and overspend. Recall four or five purchases made recently by your family. Discuss: "How do these choices reflect family goals?" Play a game: <u>Lifestyle</u> , Changing Times Educational Service, 1729 H Street, N. W., Washington, DC 20006. Develop a plan for reaching three of your most important goals. (What resources are needed?) Compare the values and goals expressed in a novel, movie, TV program, or top-ten recording, with those of your family and friends. How are they different? How are they similar? Which values seem to have the most influence on your actions today? How and why are your values and goals different from those of your friends? How do you resolve conflicts in values and goals that might arise between family and peers? List four of each, short-, intermediate-, and long-term goals. Evaluate the obstacles and opportunities you may encounter in reaching them. Examine case studies which show how family values and/or experiences are integrated into spending patterns. Role play: Family members with monetary decisions. Discuss: "What values are reflected?"
understand short-, intermediate-, and long-term goals and explain how each goal relates to their life plan.	
examine why their experiences influence their values and goals.	

EVALUATIONS

Explain in writing how short-term goals lead to the accomplishment of intermediate- and long-term goals.

List some personal values and goals that have changed; tell how they have effected money management.

List and explain at least three specific ways financial planning will help families with problems in handling money, and list the basic ingredients for financial planning.



RESOURCES

QUESTIONNAIRE

1. Do you write down your goals?
2. Do you know your values and goals influence spending?
3. Do you keep a record of your spending to learn more about your actual spending habits?
4. Do you have a savings fund?
5. Can you list some of the goals you hope to reach within the next year?
6. Do you balance spending with income?
7. Can you adjust your spending plan to meet unexpected situations?
8. Do you keep the items you own in good condition?
9. Do you and your family work together in planning the use of family income?
10. Do you know approximately how much your family spends on you each year?
11. Do you recognize the needs of others in your family?
12. Do you use a shopping list to guide spending and avoid "impulse buying"?
13. Do you know where to find information on goods and services?
14. Do you read labels, tags, and seals attached to products and keep them handy for reference?
15. Do you know when a bargain is for you?
16. Do you compare prices and quality of different items before you buy?
17. Do you consider wise use of time and energy (human and non-human) as well as money when you shop?
18. Is your shopping manner courteous and businesslike?
19. Do you find out the cost of credit before you use it?
20. Do you know what responsibilities you assume in using consumer credit?
21. Do you pay bills promptly?
22. Do you ever read the financial sections in newspapers?
23. Do you know how tax money is used?
24. Do you know how consumer decisions effect business and the economy?
25. Do you know your consumer rights and responsibilities?

Answer yes, no, or sometimes.

OBJECTIVES	ACTIVITIES
identify specific needs for financial planning.	Make a list of financial decisions that must be made by the young couple preceding and following marriage (of both working or only one).
recognize that self-discipline, planning, and common sense are the basic ingredients for financial planning.	Do practice sets: <u>Family Financial Management</u> . (See resources)
differentiate between needs and wants and establish priorities for meeting them.	Filmstrip on organizing family money matters.
develop a budget.	Role play to illustrate the plight of the disorganized family.
	Set up a budget for personal income and keep it for a week.



Develop with the class the financial situation of an imaginary family. Their disposable income is _____ dollars per week or month. They use this money in the following ways: Food _____, Clothing _____, Shelter _____, Transportation _____, Recreation _____, etc. At this point, have the class discuss possible courses of action when confronted with varying problems which bear upon the budget. When finished, ask the question: "Should your budget control your life or fit your life?"

Demonstrate the importance of personal record-keeping through a role-playing exercise. Discuss possible budget revision needs and changes.

Play a game: Consumer. (See resources)

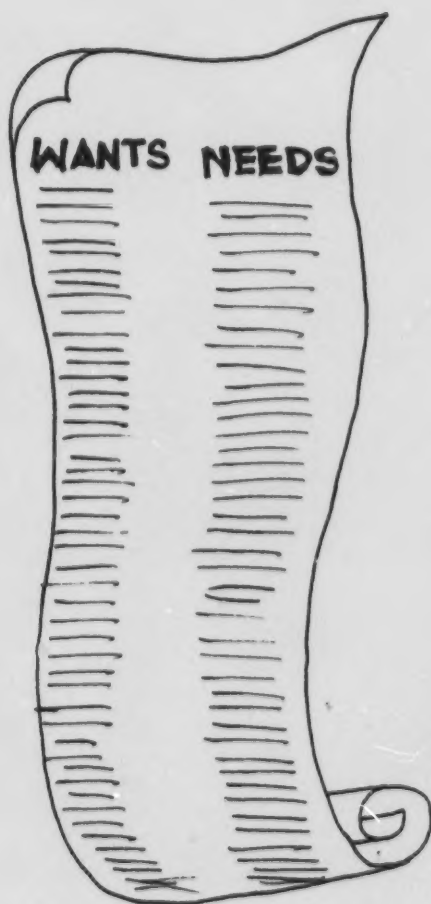
Plan a realistic budget for two different income levels.



EVALUATION

Evaluate list.

Give teacher-prepared tests.



RESOURCES

Speaker from Consumer Credit Counseling Service, 2519 N. W. 23, Oklahoma City, OK. Also obtain films--Money Tree and To Your Credit.

Family Financial Management Practice Set, Southwestern Publishing Company, 11310 Gemini Lane, Dallas, TX 75229.

A Date With Your Future, American Council of Life Insurance, 1815 K Street, N. W., Washington, DC 20006.

The Story of Checks, The Story of Money, The Story of Banks, Consumer Credit: These pamphlets are available from Federal Reserve Bank of New York, Public Information Department, 33 Liberty Street, New York, NY 10045.

A Guide to Budgeting for the Family, U. S. Department of Agriculture, Office of Information, Washington, DC 20250.

Money Management and Your Budget, Money Management Institute, Household Finance Corporation, Prudential Plaza, Chicago, IL 60601.

Creative Decision Making and Value Clarification, J. C. Penney, 1301 Avenue of the Americas, New York, NY 10009.

Consumer, John Hopkins Press, Baltimore, MD 21218.

Life Style, Changing Times, Education Service, 1729 H Street, N. W., Washington, DC 20006.

Money Management, Elsie Fetterman, Houghton-Mifflin Company.

Facts You Should Know About Savings, Association of Better Business Bureaus, One Greenwich Plaza, Greenwich, CT 06830.

Commodity Futures Trading Commission, 2033 K Street, N. W., Washington, DC 20581.

Office of Consumer Affairs, Securities Exchange Division, 500 North Capital Street, N. W., Washington, DC 20549.

The American Economic System . . . and Your Part In It, Economics, Pueblo, CO 81009.

Money Management Worksheet, Consumer Credit Counseling Service, 2519 N. W. 23, Oklahoma City, OK 73107.

Budgeting and Wise Money Management, Teacher's packet, outline and 23 pictures suitable for making transparencies, same address as the one above.

OBJECTIVES

effectively evaluate, buy, and use consumer goods and services through shopping and research.



ACTIVITIES

Establish criteria for buying, e.g., "Is it durable?"; "Is the style appropriate?"; "Will the article or service satisfy your needs?"; "Is workmanship satisfactory?"; "Do you avoid impulse buying?"; "Is the material of good quality?"; "Is reliable service available?"; "What makes an item reasonable?"; "Is this the first article you should buy (priorities in needs must be established)?"; "Think before you buy."; etc.

Read articles on electronic pricing, and discuss advantages and disadvantages in class.

Take a field trip to a retail store or wholesale house after planning what you hope to accomplish.

Form committees for out-of-class assignment to do comparison shopping. For example, have them compare the price of a single item in each of the major types of retail stores. Ask the committee to report on which store offers the best selection, service, warranty, etc.

Have students bring to class several brands of common canned vegetables and calculate the price per ounce.

Explain quality standard and their value to consumers. Include a discussion of standard definitions, dimension, specifications, performance and safety requirements, and test methods.

Study and report on recent regulations on packaging and labeling. Discuss the cost and benefits of these regulations. Students can bring in labels for discussion.

Set up committees to check on the following: "lines" of tires; "grades" of beef, poultry, eggs, carpeting; "standards" for jams, butter, fuel; "labels" on shirts, blouses, dresses.

Examine the yellow pages of the telephone directory to locate goods and services.

Ask a merchant or sales person to speak on "Tips for the Wise Shopper."

Have students list articles for home, business, or personal use. Have them compare prices from sales catalogs or from stores, comparing quality as well as price.

Present the class with an advertisement showing several rooms of furniture offered for sale at a low price. Discuss: "Does this furniture meet the standards set by individual students and/or the class?"; "Might it be better to get less furniture of better quality and higher price?"

EVALUATIONS

Report orally or in writing results of comparison research.

Have students give oral reports.

Write a short paper on why an awareness of personal values and goals are important when determining spending patterns.



List the purposes of advertising and discuss ways in which advertising affects you.

RESOURCES

Anatomy of a Sale written by Sylvia Porter.

Magazines:

Consumer Guide
Changing Times
Consumer Reports
Better Homes and Gardens
Family Circle
Women's Day

Always Tip the Fat Lady, Investment Company Institute, 1775 K Street, NW, Washington, DC 20006, (film).

The Most for Your Money, Business Education Films, 5113 Sixteenth Avenue, Brooklyn, NY 11204.

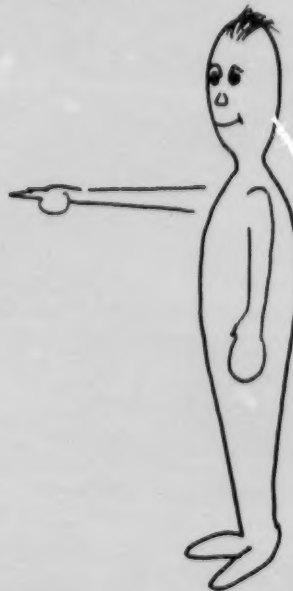
"Buying Wisely," Getting Your Money's Worth, Group One, Society for Visual Education, Division General, 1345 Diversey Parkway, Chicago, IL 60614.

You, The Shopper, Money Management Institute, Prudential Plaza, Chicago, IL 60601.

National Business Council for Consumer Affairs, Department of Commerce, Washington, DC 20230.

Warranties: There Ought To Be a Law, Federal Trade Commission, Washington, DC 20580.

Office of the Secretary, Federal Trade Commission, Washington, DC 20580.



OBJECTIVES

ACTIVITIES

know the different types of warranties:

1. Full
2. Limited
3. Implied
4. Expressed

explain the principles of wise buying and its use in the marketplace.



identify the relationship existing between spending patterns and personal values, needs, and goals.

analyze advertising to determine which information in advertising is useful to a buyer.

Describe and bring in examples of full and limited warranties as specified by the Warranty-FTC Improvements Act. (Do full warranties actually mean full?)

Discuss with the students implied and expressed warranties.

Have class write a consumer complaint letter giving subject of your complaint, purchase information, reason for complaint, results expected, and status of your complaint.

Ask students to prepare a list of the different ways they might spend \$100.

Develop a shopping list for groceries, Christmas gifts, and school clothes.

Discuss sales and know how they effect your buying (seasonal, end-of-month, clearance, etc.). Given a list of items; decide when would be the best time of the year to purchase.

Do library research on sales or bring in newspaper articles on sales.

Show film, The Anatomy of a Sale, available from Sears Consumer Information Services.

Discuss the advantages and disadvantages of buying from a door-to-door salesman, a mail-order house, a solicitation by mail, etc.

Choose the best consumer buy on the basis of "the most for the unit dollar" expenditure from at least three choices.

Ask the students what factors influenced them to purchase the specific goods they seek, and tabulate these responses on the board. Have them discuss how their personal values, needs, and goals effect why they purchase.

Do the same activity above for services (plumber, babysitter, doctor, lawyer, nurse, etc.).

Discuss the added cost to consumers of fancy and unnecessarily expensive packaging. Discuss the characteristics of good packaging.

Have students bring examples of various promotional devices to class. Discuss "Why are these devices used?"

Role play returning unsatisfactory merchandise-- buying a \$300 product from a door-to-door salesperson, (buyer's right to cancel within three days applies to home solicitation sales).

Have students ask local store owners why they sometimes put items on sale for a loss.

EVALUATION

RESOURCES

Test students on definitions of the four warranties.

The Anatomy of a Sale, Sears Consumer Information Series, Department 703, Public Relations, 303 East Ohio Street, Chicago, IL 60611.

To Market, To Market, Frith Films, P. O. Box 424, Carmel Valley, CA 93924.

Your Shopping Dollar, Money Management Institute, Household Finance Corporation, Prudential Plaza, Chicago, IL 60601.

You, The Shopper, same address as above, explains the shopper's role as a family purchasing agent, customer, and citizen; study guide, record or cassette, script and 50 student leaflets.

Administer teacher-prepared test.

Give students ten grocery items of varying sizes and prices and have them determine the best price per ounce, etc.



Identify three quality advertisements and give reasons for your decisions.

OBJECTIVES

ACTIVITIES

evaluate the major factors involved in every buying decision.

recognize the need for preparing and adhering to a list of needed goods before shopping.

Ask the advertising manager of a local paper to discuss the ethics that are used for a guide in accepting advertising.

Have students construct a bulletin board display of how advertising influences our choices.

Ask students to examine sale merchandise. Discuss: "Is it out-dated, soiled, or poor quality?"

Investigate, evaluate, and report on sources of consumer information. Collect business and government publications, books, magazines, newspapers, etc. Incorporate the above sources in a classroom resource center.

Discuss: "Needs represent a necessity for goods or services." "Wants represent a desire for goods or services." "Our wants are unlimited and resources are limited."

Have students make lists of wants and needs.

Give each student \$75 imaginary money and have them decide the order of their purchases in terms of a logical assessment of their needs.

Explain how your relationships with sales people and business firms affect buying decisions.



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From a list of goods and services have students identify which are needs and which are wants.

List individual purchases for the past week and explain the major factors that contributed to the decision to make these purchases.



Understanding: The Use of Credit

OBJECTIVES

explain how credit acts as a vital force in the economy by stimulating sales of products and services.

explain the guidelines for using credit.

become aware that the availability of credit to individual consumers varies according to personal and economic factors.



"CREDIT DRAGON"

ACTIVITIES

Invite a loan official from a commercial bank, a savings and loan association, a credit union, and a finance company to conduct a panel discussion on credit from their viewpoint. Have the students prepare questions ahead of time.

Discuss with the students, "What is the role of credit in the total economy?"

Explain to the students the guidelines for using credit. (Use credit for items with a longer useful life than the time required to pay for it. Limit spending to amount equal to your smallest income. Make down-payment as large as you can without taking cash allotted for necessities. Estimate future income and expenses to be sure you will be able to repay the debt.)

Make a list on the board of items that you would expect to buy on credit.

Have students discuss the questions: "What personal factors influence the availability of credit?" and "What economic conditions influence the availability of credit?" List personal and economic factors that effect the availability of credit to an individual.

Explain to the students the factors families must consider before obtaining credit (overuse due to ease of obtaining, use of all extra money for credit payments, taking on an obligation far beyond means to pay, desperate financial circumstances may cause people to consider loan sharks, etc.).

Ask a credit official to explain to the class the differences of the various forms of interest computations.

Explain to the students that credit is a valuable tool in the hands of the consumer who is able to control it and use it prudently. Credit also involves debt. There are definite responsibilities and obligations that accompany the use of credit.

Have the class determine the difference in the cost of a motorcycle depending on the method of purchase.

1. Cash
2. Credit purchase from dealer
3. Borrowing and using the proceeds to pay for the motorcycle

Study and discuss, "If consumer credit were no longer available, how would it affect consumers, businesses, the economy, and you personally?"

EVALUATIONS

RESOURCES

Give teacher-prepared test.

Describe how an individual's credit rating will affect future employment and financial opportunities.

Write a paragraph telling the responsibilities you assume when obtaining a loan.

Assign oral reports to the class discussing laws regulating interest rates and disclosure information.

Getting Credit, National Educational Association, 1201 16 Street, N. W., Washington, DC 20036.

How To Choose and Use Retail Credit, Sears, Roebuck and Company, Consumer Information Services, Sears Tower, Chicago, IL 60684.

What Can a Credit Union Do For Me? West Virginia Credit Union League, Route 5, Box 143-A, Parkersburg, WV 26101.

Women and Retail Credit, Local J. C. Penney.

So You Want to Use Credit, Changing Times Education Service, 1729 H Street, N. W., Washington, DC 20006.

Cash on Credit, Teaching Resources Films, 2 Kisco Plaza, Mt., Kisco, NY 10549.

Credit Women-International, Consumer Finance Information Speakers Bureau, Box 75404, Oklahoma City, OK 73147.

How to Get and Keep the Credit You Deserve, American Bankers Association, 1120 Connecticut Avenue, N. W., Washington, DC 20036.



OBJECTIVES	ACTIVITIES
demonstrate awareness that family finance and future employability are affected by credit rating.	Examine a credit application with the class to see how it determines the four C's of credit (capacity, character, capital, and collateral). Role play lender-borrower situation. One person is the borrower. Several ask questions as the lender. Will you loan the money? Why not? Check reasons against the Equal Credit Opportunity Act.
determine how to build and protect a good credit reputation.	Have a representative of the local credit bureau explain the importance of credit ratings and their affect on borrowers. (Point out that one can see his/her own credit rating.)
identify the sources of credit.	Have students bring to class information about various types of credit found in newspaper advertisements or in brochures from finance firms and credit unions. Have two or three students ask local merchants about the kinds of credit plans they offer and why these kinds are offered; report back to the class. Discuss sources of credit such as: Bank, small loan company, credit union, merchant, charge account, credit card, etc.
recognize the responsibilities involved in obtaining a loan.	Discuss responsibilities of the consumer in loan transactions. Explain the responsibilities of the creditor in loan transactions. Ask an attorney to explain the legal obligations that a borrower assumes when obtaining a loan.
evaluate the adequacy of a credit transaction in terms of laws regulating interest rates and disclosure information.	Assign library research on Truth in Lending Act and Equal Credit Opportunity Act. Discuss the rights and responsibilities of the consumer and seller in credit card transactions. Distinguish interest charges in given situations which exceed the maximum allowable by law.
demonstrate knowledge that legislation aids the consumer in maintaining an accurate credit rating.	Study current legislation regulating fair credit practices by discussing the Fair Credit Reporting Act.
identify the functions of credit bureaus and credit reports and the consequences of failing to maintain a satisfactory credit rating.	Predict the consequences of failing to maintain a satisfactory credit rating. Ask someone from a credit bureau to discuss the functions of a credit bureau and the use of credit reports.

EVALUATION

RESOURCES

Give an objective test on the four C's of credit.

What Truth and Lending Means to You, Board of Governors, Federal Reserve System, Washington, DC 20551.

Who Gets Credit? National Consumer Finance Association, 601 Solar Building, 1000 Sixteenth Street, N. W., Washington, DC 20036.

The American Economic System, Economics, Pueblo, CO 81009.

Administer an essay test on why your credit rating is important.

Give an objective test on the sources of credit.

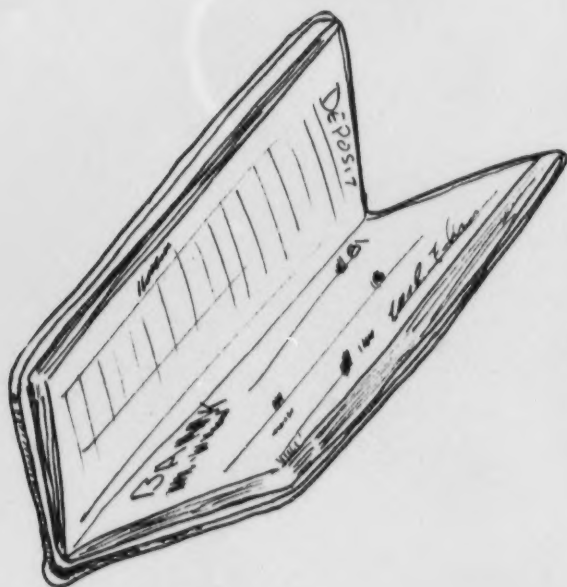
Administer an essay test on the responsibilities of the consumer and the creditor.

Give an essay test on the two acts.



OBJECTIVES

identify the functions of the different kinds of financial institutions: Savings bank, full service bank, Savings and Loan Association, small loan company, and Credit Union.



explain the personal, social, and business services that a bank renders as a financing agency in the community and in our economic system.

demonstrate the ability to make a deposit, write a check, withdraw amounts, and reconcile a bank statement.

demonstrate the ability to calculate compound interest.

ACTIVITIES

Explain monetary policies and the Federal Reserve System to the students.

Visit a variety of financial institutions with the class. Ask an official of each to explain the services offered or have a speaker talk to your class.

Prepare an exhibit of materials collected from local banks, including the following: checks and checkbooks, deposit slips and receipts, pass-books, signature cards, and other printed material which might be available.

Appoint a committee of students to visit a credit union and talk to the manager concerning the operation of this type of financial institution. Also, list financial services offered by credit unions.

Cover types of certified funds and costs involved. (Certified checks, money orders, travelers' checks, etc.)

Determine the organization best suited to meet individual needs when seeking banking services i.e., loans, savings, deposits, etc., by using case studies.

Discuss ways financial organizations compete for consumer dollars by collecting advertisements, and identify the promotional schemes used by different banks.

Show film on banking which can be obtained from the FDIC and the Oklahoma Bank Association.

Explain the check clearing process.

Have students reconcile a bank statement.

Discuss electronic funds transfer systems, and the advantages and disadvantages to businesses and consumers.

Have students fill out a deposit slip and check properly.

Discuss endorsements: kinds and purposes of each.

Discuss what you should do if your name has been forged to a check or note.

Discuss the meaning of interest compounded quarterly, semi-annually, and annually and the penalty for early withdrawal.

Ask a resource person to speak on savings accounts.

Discuss how savings accounts are an investment in self. (Helps reach long-range goals.)

EVALUATION

Explain orally or in writing the functions of different kinds of financial institutions: Savings bank, full service bank, savings and loan association, small loan company and credit union, and how each can serve the consumer.

Have students answer the following question: "What personal, social, and business services does the bank render in the community?"



Name the agencies which regulate the various banking organizations and explain the role of each.

Demonstrate the ability to:

1. Make a simulated deposit for a checking account.
2. Make a simulated cash withdrawal from a checking account.
3. Reconcile a bank statement.
4. Write a check.

Given the required information, calculate the compound interest accrued over a 12-month period.

RESOURCES

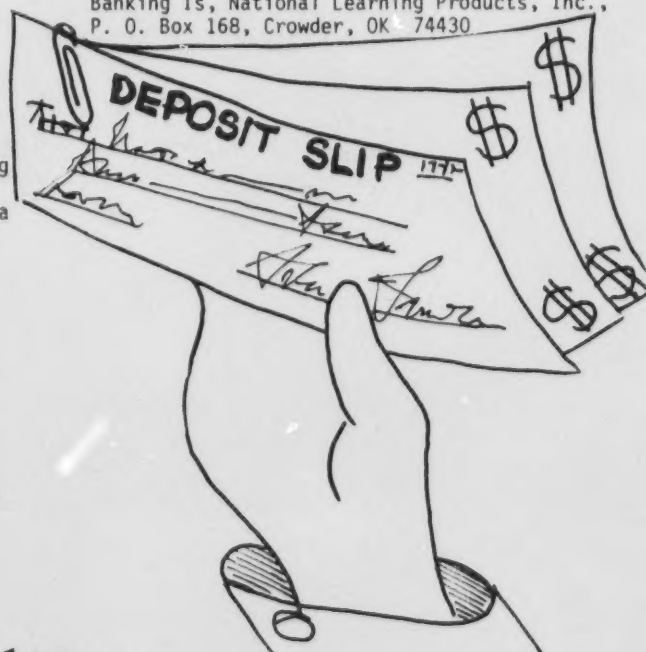
Director Consumer Community and Fair Lending Examination, Controller of the Currency, Department of the Treasury, Washington, DC 20219.

Director, Division of Consumer Affairs, Office of Examination and Insurance, National Credit Union Administration, Washington, DC 20456.

Consumer Math and You, Rosenberg and Risser, McGraw-Hill Publishing Company, Dallas, Tx.

Business and Consumer Arithmetic, Olson and McNelly, Prentice-Hall, Inc., Englewood Cliffs, NJ.

Banking Is, National Learning Products, Inc., P. O. Box 168, Crowder, OK 74430



OBJECTIVES

identify one or more methods of estimating true annual interest costs on various types of loans.

identify regulatory agencies for the various organizations and explain the role of each.

ACTIVITIES

Have students fill out a loan application.

Compare costs of loans from various sources.

Have students calculate interest on a loan using simple, add-on, and discount methods.

Ask a resource person to explain various types of loans and interest rates to the class.

Ask students to research the names of agencies which regulate the various banking organizations. (Federal Deposit Insurance Corporation, Federal Reserve System, and Federal Savings and Loan Insurance Corporation)

Understanding: Savings and Investments

identify the advantages and disadvantages of savings by means of banks, savings and loan associations, credit unions, and stock market.

Have a representative of a savings and loan association or another financial institution visit and talk with your class.

Discuss advantages and disadvantages of various savings institutions.

Acquaint students with the content and availability of financial newspapers and magazines such as The Wall Street Journal, Barrons, Fortune, Forbes, and Business Week. Ask the librarian to assist in this activity.

Introduce the students to Wall Street Week, a television program on OETA. (Selected shows can become subjects for discussion and/or written reports.)

Arrange a field trip to a brokerage house or a full-service bank that has a market trading department or trust department. Acquaint the students with the personal service products and services offered by these institutions such as money management, retirement planning, tax planning, and personal investment counseling.

Discuss the stock and bond markets with the students and explain the reasons people invest money.

Become familiar with the following terms:

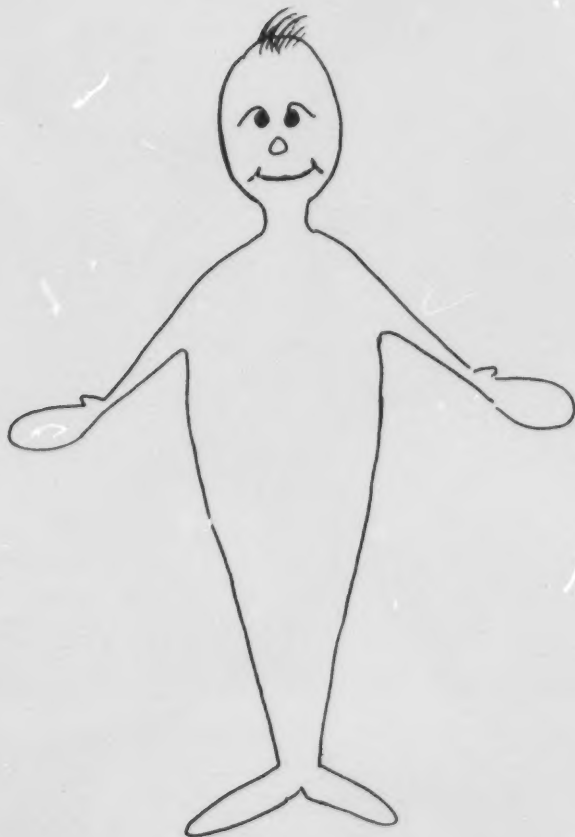
- | | |
|---------------------------|---------------------|
| 1. stocks | 10. brokers |
| 2. stockholder | 11. investment |
| 3. dividend | 12. Wall Street |
| 4. interest | 13. Savings Bond |
| 5. rent | 14. savings account |
| 6. bond | 15. mutual savings |
| 7. bondholder | 16. money market |
| 8. certificate of deposit | 17. option |
| 9. stock exchange | 18. commodity |

Introduce various stock and bond market terms and their meanings.

Bring copies of newspapers to class and discuss how reports are made daily about the stock market. (Primary source is The Wall Street Journal.)

Explain how bonds make it possible to raise capital for corporations and government agencies.

Plot the ups and downs on a graph of stock prices of some leading companies for a week or longer.



EVALUATION

RESOURCES

Calculate the true annual interest rate on an automobile loan at current bank interest rates.

Our Money System, Guidance Association, Box 5, Pleasantville, NY 10570.

Family Financial Management, Southwestern Publishing Company, 11310 Gemini Lane, Dallas, TX 75229.

Consumer Finance Teacher's Kit, National Consumer Finance Association, 1000 Sixteenth Street, N. W., Washington, DC 20036.

Assign an essay test on the advantages and disadvantages of savings and institutions.

You and the Investment World, New York Stock Exchange, New York, NY.

Local stockbrokers.

Give matching test on terms.



Evaluate individual graphs.

INSURANCE

GOAL: The student should be aware that insurance is an essential part of one's program of financial security.

Understanding: Introduction to Insurance

OBJECTIVES	ACTIVITIES
The student(s) will:	
understand the difference between risk and uncertainty.	Explore with the class the concept that when a risk exists it will not affect everyone; thus, the concept of uncertainty. ¹
become familiar with the principle of large numbers.	Discuss and illustrate the principle that the larger the number of separate risks of a like nature combined into one group, the <u>less</u> uncertainty there will be as to the amount of loss that will be incurred within a given period. ²
understand the purpose of insurance (the sharing of risks).	Illustrate risk sharing or pooling with this example: If each member of a class of 30 students were to pay a 10 cent "premium" into a common fund each week, it would be possible to provide protection against loss to this group up to a maximum of \$3 for each claim during that week.
distinguish between property and casualty and life and health insurance and when each is used.	Discuss how insurance satisfies the needs of people in the following ways:

1. Prepares them financially for a possible catastrophe
2. Helps provide protection by sharing of risks
3. Pays for losses to property which would bankrupt a business or family
4. Provides savings for emergencies or opportunities
5. Provides an income for a family following death or disability
6. Catastrophic medical expenses can be provided through insurance

Illustrate what kinds of property and casualty insurance are available to businesses and individuals.

- | | |
|---------------|---------------------------|
| 1. Homeowners | 7. Theft |
| 2. Renters | 8. Property liability |
| 3. Automobile | 9. Uninsured motorist |
| 4. Truck | 10. Boiler |
| 5. Motorcycle | 11. Machinery |
| 6. Boat | 12. Workers' Compensation |



EVALUATION

use an essay test to explain the difference between risk and uncertainty.

use an essay test to explain the concept behind the principle of large numbers.

prepare a problem illustrating risk sharing and have the students solve the problems.

list four types of insurance and give reasons why each is purchased.

RESOURCES

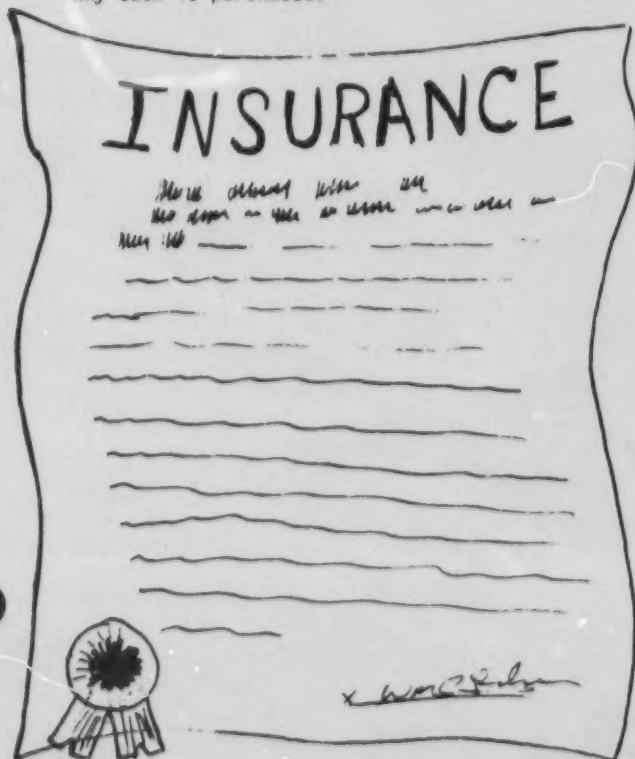
Life and Health Insurance Handbook. Richard D. Irwin, Inc., Homewood, Illinois.

Life Insurance. Prentice Hall, Inc., Englewood Cliffs, New Jersey.

Charles F. Hull, Chairman, Education Committee, Oklahoma State Association of Life Underwriters, 4010 N. Lincoln Blvd., Suite 202, Oklahoma City, OK 73105.

The following are the life insurance policies covered:

1. General Contract Provisions
 - a. Ten day free look
 - b. Thirty-one day grace period
 - c. Suicide and incontestible clauses
2. Riders
 - a. Waiver of premium
 - b. Accidental death benefit
 - c. Insurability riders



OBJECTIVES

ACTIVITIES

be able to determine the priority of needs for life and health insurance, and property and casualty insurance.

Discuss the priority of needs for life, health, homeowner, and automobile insurance. Example: Automobile and homeowner insurance are required by law. Health insurance which includes hospitalization, major medical, and disability income are imperative. Life insurance will have a priority depending on the use intended, i.e., Is it for debt protection (high priority), for retirement income (a low priority), for basic family needs (a high priority), or to give the children a head start on their own program (a low priority)?

develop a general understanding of basic insurance knowledge.

Discuss the question, "Is insurance gambling?" with an insurance agent. For example: When one wagers with another, one will win and the other will lose that which was wagered. When one enters into a wager he/she creates a risk for himself/herself. All of us face risks of loss to life, health, or property. If a group provides through premiums paid (which is a definite, certain, known amount of "loss"), those premiums provide the funds for payment of the losses experienced by any one member of the group since all group members will not experience the same amount of loss. Therefore, people buy insurance and pay a premium to insure that should they experience a large loss, the loss may be shared equally with others in the group. They have changed uncertainty of large loss (when an amount may not be known) into certainty of reimbursement if the loss occurs to them.

understand how insurance is regulated in Oklahoma.

Prepare a bulletin board display showing all the different kinds of insurance available (life, life and health, property and casualty, automobile, fire, theft, business liability, worker's compensation, etc.).

become familiar with insurance terminology.

Collect information and pamphlets from the State Insurance Commissioner's office about their responsibilities and state laws concerning insurance regulations.

Discuss: "A policy is a contract between an insurance company and the owner of the policy."

know and understand the general provisions in a life insurance policy.

Bring copies of policies to class and discuss the contractual provisions of each.

Discuss with the students the importance of giving accurate information on an insurance application form.

EVALUATION

RESOURCES

Have students prepare a priority of needs for various types of insurance.

Explain in a paragraph why insurance is not gambling.

List five kinds of insurance available and explain the function of each.

Prepare a matching test relating needs of consumers to types of insurance to satisfy those needs.



ACTIVITIES

Learn the meaning of the following terms:

- | | |
|--|---------------------------------------|
| 1. Insurer | 12. Waiver of premium |
| 2. Insured | 13. Accidental death benefits |
| 3. Premium | 14. Guaranteed insurability rider |
| 4. Face Amount | 15. Grace period |
| 5. Beneficiary | 16. Suicide and incontestable periods |
| 6. Cash surrender/loan value | 17. Entire contract clause |
| 7. Non forfeiture provisions | 18. Misstatement of age provision |
| 8. Assignment provision | 19. Ownership provision |
| 9. Reinstatement provision | 20. Policy change provisions |
| 10. Stock vs. Mutual Insurance Companies | 21. Dividends |
| 11. Insurable interest | 22. Ten day free look |

RESOURCES

Give matching test on insurance terms.

Definition of insurance terms:

Insurer. A company that issues an insurance policy to a person it deems insurable.

Insured. The person insured by an insurer.

Premium. The money that is paid by a policyholder to an insurer in consideration for the insurer accepting the applicant (insured) as a risk.

Face amount. The amount of money which will be paid on the death of the insured by the insurer to whomever the policyowner names as his/her beneficiary.

Beneficiary. The person named by a policyowner in a policy to receive the face amount of the policy should the insured die.

Cash surrender/loan value. The amount which represents the insurance company's obligation to the policyowner in the event he/she decides to surrender the contract. This can usually be loaned to the policyowner at a nominal rate of interest if the policyowner wishes.

Non-forfeiture provisions. Provisions giving policyowners three options should they choose to stop paying premiums.

1. Surrender the policy for the total cash value, and the company will have no further risk or obligation to the policyowner
2. Surrender the policy for a policy of a reduced amount of life insurance which will then be completely paid up
3. Surrender the policy for a term policy which will be of the same face amount as the original policy and which will run for a certain period of time, i.e., 23 years and 114 days and then expire

All of the above options are actuarially equivalent and represent the minimum a company must do for its client should he/she decide to stop paying premiums on a policy purchased.

Assignment provisions. A policyowner may assign a policy to a third party as a condition of the third party doing something in return, say, loaning the policyowner a sum of money. The face amount would be paid to the "assignee" (third party) "as his/her interest shall appear" (to the extent of the debt remaining unpaid by the policyowner to the third party).

Reinstatement provision. A provision allowing the policyowner to repay past due premiums (even after the policy is no longer in force, that is after it has lapsed) up to a certain point in the future usually three or five years after the policy has lapsed. The policyowner must also pay interest that the premiums would have earned during the period of lapse (usually 6%) and the policy will then be reinstated as though nothing has happened.

Stock life insurance companies. These are owned by stockholders who share in all profits of the company. They may or may not be policyholders. Mutual life insurance companies are owned by policyholders who share in all profits of the company. Profits are returned to the policyholder in the form of "dividends" which are a return of premiums not needed to pay claims and result from favorable administrative expenses, claims, and investment returns. These are not income taxable.

Insurable interest. Contracts of life insurance must, according to law, be supported by an interest in the continuance of the insured's life. Otherwise, they would be unenforceable in law, would be considered as wagers and void as against public policy, and would be an incentive to crime since they would then encourage the taking of human life. Generally, there need to be ties of affection, blood, or marriage present, a creditor-debtor relationship, or an economic or business interest present in order for a life insurance contract to be enforceable by virtue of demonstrating an insurable interest. An individual is said to have an unlimited insurable interest on his/her own life, and he/she can purchase as much insurance on his/her own life as he/she chooses.

Waiver of premium. A rider which can generally be added to a policy for a small premium and which provides that should the insured become totally and permanently disabled, the insurance company will waive all premiums due on the policy beginning with the month after the onset of the disability and continuing throughout the continuation of the disability up to age 65. Usually proof that the insured has been disabled for from four to six months is required. The period of time required varies by company.

Accidental death benefit. A rider which can be added for a small premium which will pay a specific amount in addition to the face amount, if the insured dies by accidental (usually defined as by external and violent) means usually after age 5 and before age 70.

RESOURCES

Guaranteed insurability rider. A rider which allows the insured to purchase optional amounts of insurance at standard rates and without evidence of insurability. These occur at ages 25, 28, 31, 34, 37, and 40 with most companies. An early option is allowed when one marries, or upon adoption or birth of a child for 90 days following the event, and term insurance is provided by the company equal to the option amount for that period of time.

Grace period. A 31 day period of time allowed for payment of premium in default during which the policy shall continue in full force.

Suicide and incontestible periods.

1. Suicide period. In most states, the face amount of a policy will be payable if the suicide occurs after the policy has been in force for two years. If it occurs within the first two policy years, the liability of the company will be the return of premiums paid.
2. Incontestible period. This clause was voluntarily introduced by insurance companies to assure the public that relatively unimportant misstatements would not be used to deny liability. What this means is that the company has usually two years to make all investigations to determine the good faith and all other circumstances concerning an insured's application. After that period of time is complete, the company cannot void a contract for any reason even if there was material misrepresentation of facts or fraud.

Entire contract clause. Provides that the policy itself and the application legally constitute the entire contract between the parties.

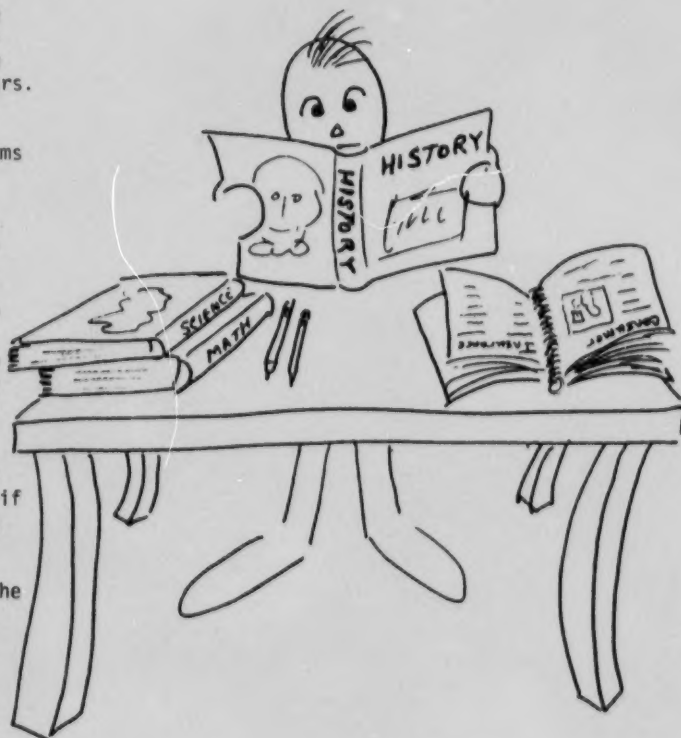
Misstatement of age provision. In the event the age of the insured is misstated, the amount of insurance shall be the amount that could have been purchased by the premiums paid at the correct age of the insured.

Ownership provision. This clarifies the rights of the owner (who may or may not be the insured). The owner has the sole right to exercise any privilege and to receive all benefits of the policy, subject to the rights of any irrevocable beneficiary.

Policy change provision. Allows the owner to change to a different plan of insurance, by paying the difference in cash values of the two policies.

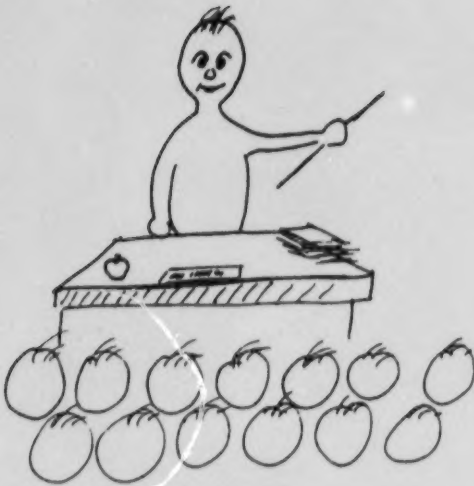
Dividends. A return of premiums not needed to pay claims. They result from favorable administrative expenses, claims, experience, and investment returns. They are not taxable income to the policyowner since the premiums were paid with after tax dollars.

Ten-day free look. Allows a policyowner to examine a policy that has been issued for ten days. If he/she is not satisfied, he/she can return the policy to the agent or company for a full refund of all premiums paid.³



OBJECTIVES

understand the four general types of policies sold by insurance companies, how they function, and what the purpose of each is.



ACTIVITIES

Class discussion on the following types of Life Insurance Company policies.

1. Term (temporary) insurance
2. Whole life (permanent, ordinary, straight life) insurance
3. Endowment insurance
4. Annuities

Invite an insurance agent to describe good procedures for deciding on the types and amounts of insurance coverage to obtain; emphasize the pros and cons of buying life insurance early in life.

Differentiate between Level and Decreasing Term policies. (See resources)

Discuss the following facts about term insurance.

1. Only 1% of all term insurance results in a death claim.
2. Less than one policy in ten survives the period for which it was written.
3. After 15-20 years of exposure, less than 1% of all term policies are still in force.
4. Almost 90% of all policies are terminated or converted.
5. 45% of all policies are terminated or converted in the first year.
6. 72% of all policies are terminated or converted in the first 3 years.
7. The average duration before termination or conversion is 2 years.

Explain the difference in premiums of:

1. A whole life (life paid up at age 100)
2. A limited pay life policy
 - a. Life paid up at 65
 - b. 20 pay life policy
 - c. 10 pay life policy
 - d. Single premium whole life policy(See resources)

Compare endowment insurance with annuities. (See resources)

Essay examination should be given comparing whole life, decreasing term, level term, endowment, and annuity with regard to face amounts, premiums, cash values, and premium paying periods.

Short answer essay explaining the following:

1. What happens when a term period has expired?
2. How much of a decreasing term policy is usually convertible to whole life?
3. Compare the cost over one's lifetime between whole life and term.
4. When should one buy an endowment?
5. When should one buy an annuity?

Explain briefly how the level premiums charged for whole life result in lower cost than the increasing premiums of term.



Level and Decreasing Term Policies Answer:

Level term has a level face amount and is in force for a specified number of years, e.g., one, five, or ten years. The coverage is often convertible to whole life and usually is renewable each year to age 65, 70, or 100, depending on the company, but is renewable only at a higher premium since the insured is older. Decreasing term has a decreasing face amount and is in force for a specified number of years usually 10, 15, 20, 25, 30 years or to age 65. It is often convertible to whole life, but usually only for 80% of the then present face amount. It has a level premium throughout the life of the contract.

At young ages, term insurance requires considerably less outlay than a comparable amount of whole life insurance because relatively few people die at young ages. But because its premium must rise with age and eventually reach the point where people cannot afford it, term insurance does not meet the need for coverage, which people can afford throughout life.⁵

Answer to Whole Life and Limited Pay:

Each has a higher premium than the preceding policy. Whole life has the lowest premium (and the slowest buildup in cash values) and the single premium whole life policy has the highest premium (and immediate cash values).

Answer to Endowment Insurance and Annuities:

1. Endowment insurance combines savings with insurance. At the end of the endowment period, the company pays the insured the amount of the endowment. Should the insured die during the endowment period, the full amount of the policy is payable.
2. Annuities have no insurance, but are periodic payments made during a fixed period to accumulate a sum of money. The basic purpose of annuities is to liquidate that accumulated sum of money at a fixed point in time in the future.

OBJECTIVES

ACTIVITIES

Compare whole life insurance with an annuity. Life insurance protects against the absence of income in the event of premature death or disability, whereas the annuity protects (insures) against the absence of income on the part of those "afflicted" with undue longevity.⁶

Compare an endowment policy and an ordinary-whole life policy. Discuss the merits of both.

be aware of the difference in the human life value concept and the needs concept.

be familiar with concepts of family financial and estate planning and why single need purchases are made.

understand how insurance can improve the financial stability of business.

know the uses of life insurance:

1. Human life value concept
2. Needs concept
3. Personal uses of life insurance
 - a. Family financial and estate planning
 - b. Single need purchases
4. Business uses of life insurance
 - a. Key man
 - b. Commercial debt protection
 - c. Business continuation
 - d. Employee benefit planning

Describe two ways to determine how much life insurance one should have:

1. Explain the meaning of the human life value concept. (See resources)
2. Explain the needs concept. (See resources)
3.
 - a. Describe the effect of inflation on insurance.
 - b. Describe the effect of inflation on the assets in one's estate
 - c. Describe the effect of inflation on insurance premiums.
 - (1) Decreases the real purchasing power of the insurance proceeds
 - (2) Increases the values of all assets in one's estate
 - (3) Decreases the relative percentages paid for the insurance coverage, e.g., where one pays 4% of gross income for premiums now, in 20 years, with 6% inflation it may only represent $\frac{1}{2}$ of 1% of gross income at that time.

Discuss the importance of insurance on a spouse who is not the primary breadwinner:

1. If the spouse is female, it would be important to replace lost income that she earns, to pay for costs of her last illness, funeral, the loss resulting from the joint income tax deduction, childcare expenses, expenses for a part time housekeeper to cook, sew, wash, do housework, chauffeur children to their activities, shop, garden, and provide minor emergency health care.
2. The value of a homemaker has been valued at over \$17,000 annually by the American Council of Life Insurance for all the above responsibilities, plus several more.⁷

Why does term insurance not meet the needs of most people who will have an estate tax problem at death? (See resources)



ACTIVITIES

Invite an insurance agent to discuss planning for family security through insurance at various times during the family cycle. Criteria for insurability should be included. Have students prepare questions in advance.

Divide the students into committees. Give each committee a fictional family, and have the committee decide what types and amounts of life insurance are needed. Oral reports should be given in the class.

Discuss the concept that term insurance provides the maximum protection for a specified period of time at the lowest cost in the short run, but is the most expensive form of insurance in the long run.

Example: With one large life insurance company, term premiums with dividends applied to reduce the premiums compared with whole life premiums with dividends applied to reduce the premiums are as follows for a male at age 24.⁸

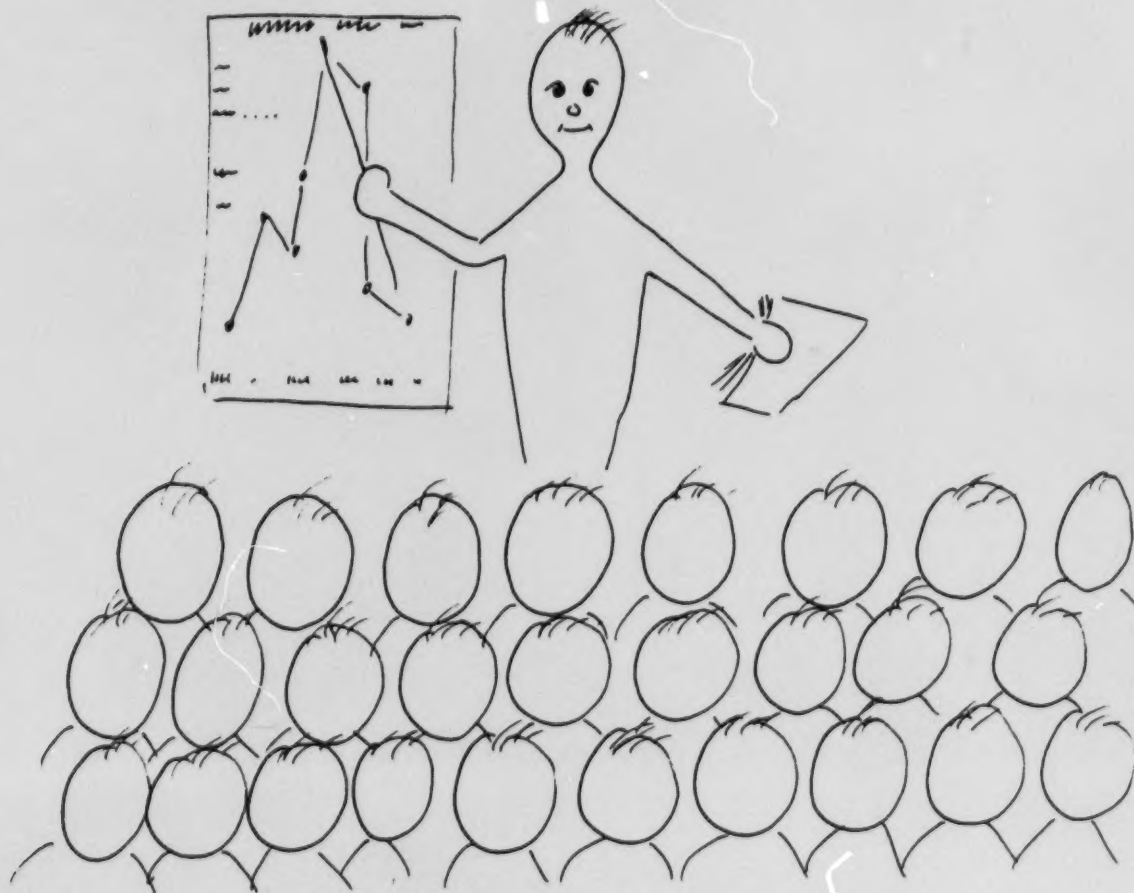
One year renewable and convertible:

Term premiums to age 70	58,163
Whole life premiums to age 70	20,891
Difference	37,272
Cash value of whole life	63,486
Difference in favor of whole life	100,758

This does not take into account the time value of money. Dividends (partial refunds of premiums based on the company's investment, mortality, and expense experience) are based on the 1980 scale and are neither guaranteed nor estimates for the future.

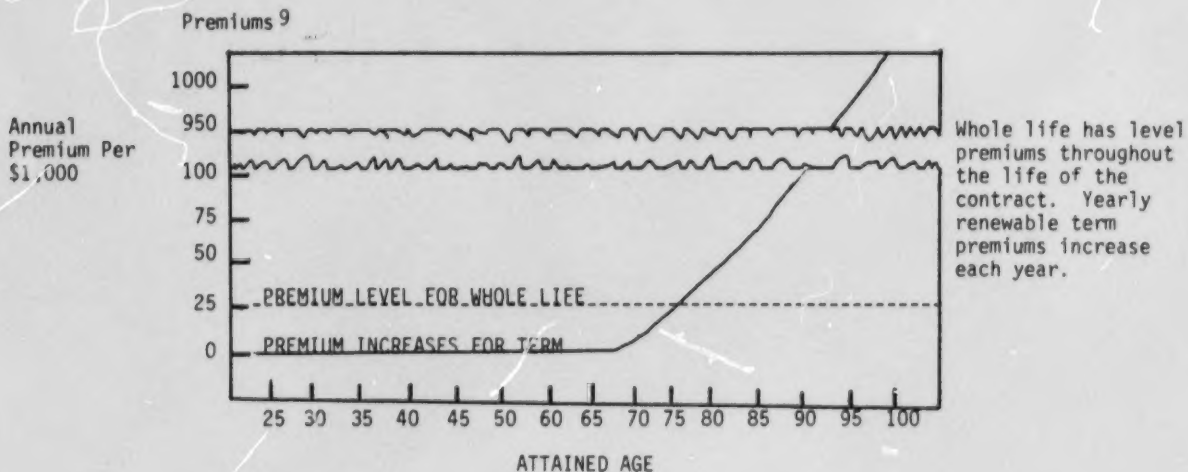
Explain the uses of Level vs. Decreasing term. (See resources)

Become familiar with how life insurance can enhance the stability of a business. (See resources)



ACTIVITIES

Discuss the nature of the whole life contract with regard to:



"The level premium whole life plan requires the charging of a premium that is larger than necessary to pay for the insurance in those years, with a view to accumulating a fund sufficiently large to enable the company to meet the cost of the insurance in the later years in the life of the insured, when the net premium is insufficient to pay for the current cost of protection."¹⁰

Reserves. The reserve is an amount the company must maintain to pay claims. It is actuarially determined to be the value of future benefits payable and future premiums receivable. The funds that are accumulated in support of these reserves are invested in assets that are the property of the company. Cash surrender values in life insurance contracts represent the company's obligation to the policyowner, if he decides to surrender the policy.¹¹

Cash surrender/loan values. "Experience has shown that it is not necessary for the protection of the company or the other policyholders, to insist that the insured, upon failing to continue the premium payments, shall forfeit the entire reserve value of the policy. It has, therefore, become a universal practice to permit the insured, in case he or she surrenders or discontinues the policy, to receive a surrender value. During the early years of the policy, the surrender value is usually less than the full reserve."¹² This amount stated in the policy can be borrowed at a low 6% or 8% interest rate for any reason the owner of the policy desires.



RESOURCES

Answer to: The Amount of Life Insurance One Should Have.

It is the amount of money which represents the value of, in today's dollars (present value), of future net incomes with allowance for trends in earnings, deductions (such as income taxes), and discounting for interest.¹³

A simplified example would be if a person is 25 and earns \$20,000 per year, his human life value at age 65 would be \$800,000. This does not take into account present values, income tax deductions or discounting for interest.

Answer to: The Needs Concept.

This takes into account the various needs a family would have in the event the breadwinner should die or become disabled. It would include needs for last expenses, debts, emergencies, mortgages, education, family income, administrative expenses, and federal and state estate taxes. Assets the family has, including savings and checking accounts, securities such as stocks, bonds, and mutual funds, real estate that could be sold for profit, other income producing assets, life insurance, group insurance, business interests which could be sold for cash, social security, and any employee fringe benefit programs, would be totaled and subtracted from the total dollar amount of the need the family has. The family could then determine if they have more in assets than the family would have in needs. If the needs exceed the amount of the assets, they should consider creating more capital, possibly through the purchase of additional life insurance. The policy face amount should come as close as possible in making up any difference between what one's dependents would have if he/she were to die immediately, and what they would actually need. The premium should also fit comfortably into the budget.

Answer to: Why Term Insurance Does Not Meet The Needs of Most People Who Will Have an Estate Tax Problem at Death.

This is because one has to die on schedule to collect the insurance proceeds. If one lives beyond the period of time the policy is in force, the insurance expires, and nothing is payable. Whole life would be in force throughout one's life and could be used to pay any estate transfer costs at death.

Answer to: The Uses of Level vs. Decreasing Term.

Decreasing term is often used when one has a debt obligation which is being paid. If the insured dies before the debt is paid, the insurance company pays the beneficiary the policy proceeds which can then be used to pay the debt.

Level term is used when one knows that his insurance needs will either be level or will increase in the future. Level term can provide the maximum amount of protection for the lowest cost in the short run for a young family. If it is kept throughout one's life and never is converted to whole life, it is the most expensive form of insurance.

Answer to: How Life Insurance Can Enhance The Stability of a Business.

Cash values of whole life insurance are listed as an asset on the company's balance sheet. John Wanamaker, Founder of Wanamaker's Department Store in Philadelphia said, "Some years ago I had a capital of about a half million dollars. I then realized that a business man with a half million of capital and a million and a half of insurance on his life would have a better credit than one with a half million capital and no insurance--so I took the insurance."¹⁴

"I found that, trading on the credit it created, I made more profit than if the money which went into the insurance had gone directly into my business."¹⁵

Life insurance case values can create money for emergencies or opportunities. "J. C. Penny . . . was almost wiped out in the 1929 stock market crash, but rebounded with money borrowed on his three million dollar life insurance policy."¹⁶

OBJECTIVES	ACTIVITIES
explain why periodic review of one's insurance is imperative.	What are the reasons a periodic review of one's life insurance is a good idea? (See resources)
	Explain the difference in Federal and State Income taxes, and Federal and State Estate taxes. (See resources)
develop a general understanding of life insurance.	Obtain classroom quantities of "Policies for Protection". Have students complete the activities relating to life insurance.
	Show films about life insurance. Follow with classroom discussion.
	Where can you go to appeal the decision of an insurance company in the settlement of a claim which you feel has not been fair to you? (See resources)
be familiar with Interest Adjusted Payments Indices and Interest Adjusted Cost Indices, and know what each means and how to tell from these indices which policies of various companies are less expensive.	Discuss with the class which kinds of life insurance would fit their needs. Look for a good buy. Your chances of finding a good buy are better if you use two types of index numbers that have been developed to aid in shopping for life insurance. One is called the "Surrender Cost Index" and the other is the "Net Payment Cost Index". It will be worth your time to try to understand how these indices are used, but in any event, use them.
	Define cost. (See resources)
	Discuss with the class: What are cost indices? (See resources)



RESOURCES

Answer: Review of insurance program.

Changes will occur in one's objectives, property values, and in some cases, tax matters. People marry and divorce, and beneficiary arrangements may need to be changed. Businesses buy insurance to guarantee payment of a debt for expansion of the business, and policies may have been assigned to the lender from the time the note is made until the debt is paid. Then the assignment can be changed from the lender to whomever the policyowner chooses.¹⁷

Answer: Difference in Federal and State Income taxes, and Federal and State Estate taxes.

Income taxes are a tax on money as it is earned. Estate taxes are transfer taxes to change the ownership of property from one person to another after the death of the owner of the property. It also applies to the value of property which was transferred by the decedent to a beneficiary prior to the decedent's death, but that was done in contemplation of death.¹⁸ In other words, when a decedent transfers property out of his estate before his death in hopes of reducing the estate taxes due at his death, the IRS says such a transfer, if done within 3 years of one's death, will not be an allowable transfer and the property will be included in the taxable estate for federal estate tax purposes.

Answer: Appeal insurance decision. The State Insurance Commission.

Answer: Definition of cost. "Cost" is the difference between what you pay and what you get back. If you pay a premium for life insurance and get nothing back, your cost for the death protection is the premium. If you pay a premium and get something back later on, such as a cash value, your cost is smaller than the premium.

The cost of some policies can also be reduced by dividends; these are called "participating" policies. Companies may tell you what their current dividends are, but the size of future dividends is unknown today and cannot be guaranteed. Dividends actually paid are set each year by the company.

Some policies do not pay dividends. These are called "guaranteed cost" or "non-participating" policies. Every feature of a guaranteed cost policy is fixed so that you know in advance what your future cost will be.

The premiums and cash values of a participating policy are guaranteed, but the dividends are not. Premiums for participating policies are typically higher than for guaranteed cost policies, but the cost to you may be higher or lower, depending on the dividends actually paid.

Answer: What are cost indices? In order to compare the cost of policies, you need to look at:

1. Premiums
2. Cash values
3. Dividends

Cost indices use one or more of these factors to give you a convenient way to compare costs, an adjustment must be made to take into account that money is paid and received at different times. It is not enough to just add up the premiums you will pay and to subtract the cash values and dividends you expect to get back. These indices take care of the arithmetic for you. Instead of having to add, subtract, multiply, and divide many numbers yourself, you just compare the index numbers which you can get from life insurance agents and companies.

1. **LIFE INSURANCE SURRENDER COST INDEX.** This index is useful if you consider the level of the cash values to be of primary importance to you. It helps you compare costs if at some future point in time, such as 10 or 20 years, you were to surrender the policy and take its cash value.

2. **LIFE INSURANCE NET PAYMENT COST INDEX.** This index is useful if your main concern is the benefits that are to be paid at your death and if the level of cash values is of secondary importance to you. It helps you to compare costs at some future point in time, such as 10 or 20 years, if you continue paying premiums on your policy and do not take its cash value.

The first decision you must make when buying a life insurance policy is choosing a policy whose benefits and premiums most closely meet your needs and ability to pay. Next, find a policy which is also a relatively good buy. If you compare Surrender Cost Indices and Net Payment Cost Indices of similar competing policies, your chances of finding a relatively good buy will be better than if you do not shop. Remember, look for policies with lower cost index numbers. A good life insurance agent can help you choose the amount of life insurance and kind of policy you want and will give you cost indices so that you can make cost comparisons of similar policies.

Don't buy life insurance unless you intend to stick with it. A policy which is a good buy when held for 20 years can be very costly if you quit during the early years of the policy. If you surrender such a policy during the first few years, you may get little or nothing back and much of your premium may have been used for company expenses.

Read your new policy carefully, and ask the agent or company for an explanation of anything you do not understand. Whatever you decide now, it is important to review your life insurance program every few years to keep up with changes in your income and responsibilities.¹⁹

OBJECTIVES

be knowledgeable concerning the Social Security program as it pertains to each individual.



be able to define Social Insurance.

ACTIVITIES

Invite a resource person from your local Social Security office to discuss requirements for Social Security benefits as they pertain to the young person, young family, and persons who are reaching retirement age.

Discuss with the students the following requirements:

1. A person needs only $1\frac{1}{2}$ years (6 quarters) of work to be insured for a money benefit in the event of death or disability before age 24. The $1\frac{1}{2}$ years (6 quarters) of work must have occurred during the three year period before death or disability.
2. The student must know how to get insured status under Social Security. How much (wages) must be earned to qualify for a quarter of coverage?
3. The longer a person lives past the age of 24, the more work or quarters of coverage he/she will need to be insured for a Social Security benefit.
4. Disability benefits are paid when a person qualifies for them at any time prior to retirement age at 62.
5. Survivor benefits are paid to qualified dependents of an insured worker.
6. Retirement benefits are paid to insured workers as early as age 62. Benefits are reduced 20% if a worker takes his/her benefits at age 62.
7. Every person reaches retirement at age 62. Every person born in 1929 or later needs 10 years (40 quarters) of work to meet the work requirement for benefits at age 62. A person born before 1929 needs fewer than 40 quarters of coverage to be insured for retirement benefits at age 62.
8. A student will receive benefits based on a deceased or retired insured parent's work record until age 22, if they stay in school full-time and do not marry between ages 18-22.

Use a film from your local Social Security office to explain the program.

Social Insurance is a device for the pooling of risks by their transfer to an organization, usually governmental, that is required by law to provide pecuniary or service benefits to or on behalf of covered persons on the occurrence of certain predesignated losses.

ACTIVITIES

Compare and contrast Social Insurance and Private Insurance.

The following are similarities:

1. They both utilize the principle of risk pooling.
2. They both require specific cost (premiums for tax payments) for coverage.
3. They both specify benefit payments for defined losses.
4. They both contribute toward economic security.

The following are differences:

1. Protection is voluntary under private insurance, but it is compulsory under social insurance.
2. Insurance benefits are stated in a contract under private insurance, they are prescribed in the statute under social insurance.
3. Cost and benefit relationships are calculated on an actuarial basis under private insurance. That is, benefits are paid according to premiums paid, and the premiums are determined by such relative actuarial factors as age, type of risk, and the like. On the other hand, cost and benefit relationships under social insurance are determined by government with social adequacy considerations. That is, benefits paid to certain persons by a Social Security program will exceed the actuarial values of the taxes they and/or their employers have paid.
4. Private insurance works with the principle of full funding (to accumulate sufficient funds over time to meet liabilities), while Social Security is typically on a pay-as-you-go basis under which current payments of benefits are met by current resources. (For example, payroll taxes collected in each year are approximately equal to the benefit payments during the year.)

RESOURCES

Local Social Security office.

Social Security Administration, 200 Northwest 5, Oklahoma City, OK 73102.

Your Social Security, Equitable Life Insurance Company of Iowa, Planning and Personnel Section, 604 Locust Street, Des Moines, IA 50306.

Consumer Information Center, Pueblo, CO 81009
Pamphlets: No. 539H "A Woman's Guide to Social Security," No. 540H, "Your Social Security," No. 536H "Social Security Information for Young Families."

American Council of Life Insurance, Department 1560, 1650 X Street, NW, Washington, DC 20006
Pamphlets: "Six Important Things You Should Know About the Social Security System."

Social Security in a Changing Society, An Introduction to Programs, Concepts, and Issues, Yung-Ping, Chen, McCahan Foundation, Bryn Mawr, PN., 1980.

With respect to Old Age Insurance, the Social Security program was expanded to include Survivors Insurance in 1939 and Disability Insurance in 1956. Health Insurance (Medicare) was added in 1965. As a result, Social Security today refers to OASDHI: Old Age, Survivors and Disability Insurance (OASDI) and Health Insurance (HI). OASDI is a cash benefit portion of Social Security. These payments are commonly called Social Security benefits. HI is the noncash benefit portion properly known as Medicare, which has two parts - Hospital Insurance (Part A) and Medical Insurance (Part B). Also, the Social Security act includes supplemental security income, unemployment insurance, and public assistance and Welfare services such as aid to needy families with children, maternal and child health services, and the like. The Federal government operates OASDHI and the Supplemental Security Income (SSI) programs. The others are operated by the states with Federal cooperation.

Understanding: Home and Property Insurance

OBJECTIVES	ACTIVITIES
describe the types of home and property insurance and the coverage provided by each.	Invite a local insurance agent to speak to the class on the various types of home and property insurance available and the factors that determine local rates. Provide copies of home owners policies available in Oklahoma.
describe "All risk vs. Named peril" coverage.	Assign a student group to research and orally report on government backed flood insurance and other natural catastrophes. Why is this not offered by private coverage?
	Invite an attorney to speak to the class on the legal responsibilities and liabilities of a property owner.
	Have class discuss the types of loss against which property may be insured. List these on the board.
define terminology associated with home and property insurance.	Have students prepare a bulletin board display of sample home and property insurance.
	Have class discuss why renters need insurance.
	Make-up a crossword puzzle utilizing the terms and definitions associated with home and property insurance.
	Have students make an inventory of things they actually own--clothing, car, books, tapes, etc.--and place a monetary value on them. Follow with a classroom discussion on the importance of maintaining an up-to-date household inventory.
describe basic fire and safety rules for the home.	Invite a local fireman to speak to the class on potential fire and safety hazards found in the home and ways to reduce these risks.
	Show a film or arrange for a demonstration on the types and proper use of fire extinguishers.
	Discuss the importance of fire drills in the home, school, office building, etc.
	Obtain government pamphlets on the purchase of smoke alarms. Assign a student group to read them and report orally to the class.
	Have the students conduct a safety hazard inspection of their homes. A written report of the findings and suggestions for corrections could be prepared.
list ways to minimize the risk of home burglary.	Invite a local law enforcement officer to speak to the class on ways to decrease the chances of home burglary.
understand what coverage accident and health insurance provides and the need for it.	Invite someone who has suffered home loss due to fire or theft or other misfortune to speak to the class on the value of home and property insurance.

Essay test concerning the types of home and property insurance and the coverage provided by each (homeowners, renters, dwelling, perils, etc.) and exclusions (riots, vandalism, etc.) and other property separately insured.

Matching test involving terms and definitions associated with home and property insurance.

Objective test requiring students to list a specified number of fire and safety rules for the home.

Objective test requiring students to list a specified number of ways to minimize the risk of home burglary.

Vocabulary quiz on terms.

Essay test discussing the importance of maintaining an up-to-date household inventory.

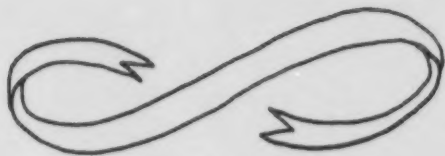


OBJECTIVES

understand in general the basic concepts of health insurance.



understand what each type of health insurance provides, and what the need for it is.



ACTIVITIES

Invite a Medicare-Medicaid official to speak to the class on the functions of the government in sponsoring health insurance.

Collect sample health insurance policies from several companies. Assign groups of students to analyze the coverage and cost according to items such as:

1. Can the policy be used in every state?
2. How do allowances on surgical schedules compare?
3. What are the allowances for grace periods?
4. What are the criteria for insurability?
5. What is the difference in the cost of group health insurance and individual insurance?
6. What riders can be attached?
7. Will the company pay if duplicate coverage exists?

Ask the students to bring advertisements and write for literature mentioned in the advertisements. Discuss and compare the types of services offered.

Discuss the following question with the students: "Can you collect accident and health insurance from two or more companies?"

Given terminology, each student will prepare a crossword puzzle. Puzzles will be exchanged and completed. (See next page for rest of activities)

Explain the difference in hospital expense insurance, surgical expense insurance, basic medical expense insurance, and major medical expense. (See resources)

Discuss and list on the chalkboard the kinds of coverage that would be desirable in any good health insurance plan, and examine several group plans to see if they provide adequate coverage without any supplemental plans.

Secure sample accident and health insurance policies and discuss the coverage of each.

Stress the need to study each policy question to insure full protection.

ACTIVITIES

Prepare a bulletin board display of health insurance ads cut from newspapers and magazines. Compare the services offered.

Discuss the responsibility a person has for payment of hospital and/or medical bills when:

1. He/she has no insurance.
2. He/she has insurance and does not assign benefit payments to the provider of the service.
3. He/she has insurance and does assign benefit payments to the provider of the service.

He/she is totally responsible in all cases (1, 2, and 3) to pay the bills. If the provider of the services, such as a hospital, requires assignment of benefits, which means the insurance company has been authorized by the insured person to pay the benefits directly to the provider of the services, the insured is still responsible for the full amount of the claim. In many cases, it can be arranged with the provider that the insured will only have to pay his/her portion (say 20%) of the expenses associated with the claim since the insurance company will provide the balance of the benefits.

RESOURCES

Answer to the difference between hospital expense insurance, surgical expense insurance, basic medical expense insurance, and major medical expense.

1. Hospital expense. Pays hospital charges for room, board, general nursing care, and miscellaneous expense benefits such as services and supplies including use of operating room, laboratory services, anesthetics, and drugs. The policies almost always specify a maximum dollar amount which may be payable and which may be expressed as a multiple of the daily hospital benefit or a fixed maximum amount.

2. Surgical expense insurance. Pays for surgical procedures subject to the schedule of limits on the benefits payable for each type of operation. Limits will depend on the type of operation and are intended to bear a close relationship to the average fee charged by doctors for the listed operations in the area where the covered person resides.

3. Basic medical expense insurance. Pays for such things as doctor's office visits, and doctor's home visits.

4. Major medical expense. Usually issued in conjunction with a deductible ranging from \$100, \$300, \$500, \$750, or \$1,500. The deductible may be on a per calendar year or per cause basis. Major medical insurance was developed to meet the need for protection against a broad range of catastrophic medical expenses whether incurred in or out of the hospital. After the deductible is satisfied, a coinsurance feature usually becomes effective wherein the insurer pays 80% of eligible charges and the insured pays 20% of eligible charges. After a certain amount of eligible charges are payable, e.g., when the insured's portion of an insurance (his 20%) reaches \$2,500 or \$5,000 in a calendar year, the "stop loss" provision becomes effective, and the company pays 100% of all eligible charges for the balance of the calendar year.²⁰

OBJECTIVES

describe how a serious illness or accident could literally bankrupt almost any family that had no health insurance.

become familiar with the difference between group and individual health insurance.

understand the chances of disability before age 65 for different ages and lengths of time.

know when a person needs disability income insurance vs. business overhead expense insurance.

describe how a typical dental insurance plan works.

ACTIVITIES

Give students a hypothetical situation where the head of the household is the victim of an accident. The family is without money. What are the alternatives?

Discuss hospital and medical costs. What could happen to a family's debts if they had no health insurance.

Explain: "Health insurance is available on an individual, family, or group basis."

Assign a student group to examine and report orally on the student and athletic insurance available through the local school and what benefits are provided.

Discuss the difference between group and individual health insurance. (See resources)

Discuss the chances of disability of various ages and lengths of time before age 65.

Age	For 3 months	For 6 months	For 1 year	For 2 years	For 5 years
25	54%	34%	27%	22%	15%
30	52%	33%	26%	22%	15%
35	50%	33%	26%	21%	15%
40	48%	32%	25%	21%	15%
45	44%	30%	24%	20%	14%
50	39%	28%	23%	19%	14%

Based on 1964 Commissioner's Disability Table

Explain the difference between disability income coverage and professional and business overhead expense coverage. (See resources)

Have a classroom discussion on the need for workers' compensation. Point out the health and accident hazards associated with certain occupations.

Assign a student group to report orally on Oklahoma's workers' compensation laws and benefits.

Secure from several health insurance companies, information regarding their dental insurance programs. Discuss how each works.

EVALUATION

Give students copies of three group plans and have them choose the one which provides the best coverage. Ask them to also write a brief paragraph telling whether or not additional coverage would be needed and if so, what kind of coverage would be necessary.

Give matching test on terms with definitions.

Essay exam discussing differences between a hospital and surgical policy compared with a major medical policy can be administered.

Prepare an objective test listing a specified number of factors to be considered when purchasing health insurance.

Given a situation where a family is involved in an automobile accident, discuss how they could benefit if the primary breadwinner for the family is totally disabled for 3½ years and has a \$25,000 hospital bill. The spouse and children are not employed and are not injured.

Give an objective test covering workers' compensation coverage and medicare/medicaid.

RESOURCES

Answer to the difference between group and individual health insurance:

Group insurance is usually issued without a medical examination or other evidence of insurability. On small groups of from 2-9 lives, a health questionnaire may be required. On groups of 10 lives or more, no health questions are generally asked. Individual health insurance always requires evidence of insurability before the policy will be issued. Under group insurance, the persons covered are not the contracting parties, rather the company they work for and which applies for the policy is the contracting party. Under individual health insurance, the individual applicant is the contracting party. Group health insurance is less expensive than individual health insurance since there is mass distribution and lower per person costs in issuing group as compared to individual policies. Group coverage is subjected to experience rating which means that if a group's claims and expenses are low, the next year's premiums may decrease, while if claims and expenses are high, the next year's premiums may significantly increase.

Answer to the difference between disability income coverage and professional and business overhead expense coverage:

Disability income coverage replaces earned income lost by an insured, due to illness or accident and professional business overhead expenses that continue after a professional or business owner becomes disabled and the business continues operating. It covers such features as rent, electricity, etc. It generally excludes compensation, cost of capital goods, payment on principal of indebtedness and expenses the insured was not liable for prior to disability; whereas, a disability income policy can provide benefits for 1 year, 2 years, 5 years, or to age 65. With a choice of a 30, 60, 90, 180, or 360 day waiting period, an overhead expense policy usually will provide benefits for 1 or 2 years only and usually with a short waiting period such as 30 days.



Understanding: Automobile Insurance (Casualty)

OBJECTIVES	ACTIVITIES
understand how to select automobile insurance.	Ask students to recognize the factors involved in selecting automobile insurance. (See resources)
understand the outside influences on automobile insurance purchase.	Research the following: Statute; Financing Company (GMAC, Ford Motor Credit, etc.)
understand rate determination.	Have students explain how automobile/motorcycle insurance rates are determined. (See resources)
	Discuss with the students the reasons:
	1. The policy protects the insured from financial loss. 2. To seek a company with a good reputation for fair and prompt settlement and financial stability. 3. The rates may vary for identical coverage in the same area. 4. Where to shop for automobile insurance. a. Individual agent b. Company
	Select teams of two each. Have each team interview a different automobile insurance agent. Have them report back to the class the factors agents gave them as being important in selecting automobile insurance.
	Have a local automobile insurance agent discuss how automobile insurance rates are determined. Have students prepare questions in advance based upon problems they or their families have encountered in obtaining automobile insurance.
	Ask a local law enforcement officer to speak to the class about motorcycle safety and regulations.
	Appoint a student committee to report on the specific number of high-risk drivers by age group. Consult with the drivers' education teacher.
	Have students write and send identical letters to several automobile insurance companies. In the letter, explain that the class is studying automobile insurance and wishes to compare rates and services. Set up a hypothetical case. (Check insurance application forms to see what information must be supplied.) Compare the responses. A skit based on the result could be written and performed by students.
	Have students debate "Teenage boys are poorer automobile risks than the teenage girls." Include need to "show off" and need for ego satisfaction. Also discuss equality.



EVALUATION

List factors involved in selecting automobile insurance.

Have students list factors which effect the rate determination of automobile/motorcycle insurance rates. Use a local student if appropriate.

Have the class evaluate the reports of each team on the views of different automobile insurance agents as being important in selecting automobile insurance and make constructive comments.

Have students use the report on the specific number of high-risk drivers by age group and compute the anticipated number in each group in the local community. What does this mean in terms of local interest?

Evaluate the facts and sources used by each team.

RESOURCES

Answer to recognizing the factors involved in selecting automobile insurance.

The factors involved in selecting automobile insurance are as follows:

1. Price
2. Claims service/reputation
3. Availability

Answer to how automobile/motorcycle insurance rates are determined.

Automobile/motorcycle insurance rates are determined by:

1. Insured person: Age, sex, occupation, education, driving record, location, and marital status.
2. Insured autos: Type of auto, cost of auto, age of auto, and type of use.



OBJECTIVES

ACTIVITIES



be aware of the different kinds of automobile insurance and the coverage of each.



Have a group of students write to the State Department of Public Safety and obtain statistics on the number of traffic accidents during the past year which were either alcohol or drug related, and ask the local police if they have these statistics on your community.

Also, obtain information about the penalties for driving while under the influence and the cost to taxpayers of accidents involving drinking drivers and other forms of drug abuse. Stress that this is public information and ask some students to verify this with the local police.

Also stress the point of the driving record. It is the single most important factor in rating. One Driving While Intoxicated ticket or drug related ticket will double your rates for the following 5 years.

Explain to the students the reasons why insurance costs have increased. (See resources)

Invite an insurance agent to explain the different kinds of vehicle insurance and coverage of each.

Ask students to list the losses that occur in an automobile accident and discuss the kind of insurance that would cover the losses.

Discuss the factors that determine the automobile insurance needs of an individual.

Discuss liability insurance (property and bodily injury) with the students. Include:

1. Who will defend you if you are sued?
2. Who determines liability?
3. Who is covered?
4. Who is responsible?
5. What constitutes negligence?

Have a committee of students investigate the cost of replacing the following:

1. Fender
2. New car
3. Tree
4. Section of chain link fence
5. Human life

Analyze sample application forms.

Discuss collision insurance with the students. Include:

\$100 or \$50 deductible
How is amount of payment determined?
Do local banks or finance companies require collision insurance before granting new car loans? Why?

The teacher will construct an essay test over factors affecting rates.



Answer to why insurance costs have increased.

List and explain the different kinds of vehicle insurance and types of coverage for each.

From a hypothetical accident, list the kind of automobile insurance for each loss.

Have each student prepare a report which shows the students' needs and then have them explain how the needs are to be covered.

The teacher will prepare a test over the kinds and purposes of vehicle insurance.

Have each student write a 300 - 500 word essay on costs of replacement; then illustrate how long it would take to pay for the item if the student worked 20 hours per week at minimum wage.

1. Injury
2. Property damage
3. Auto thefts
4. Repairs
5. Lawsuits
6. Inflation



OBJECTIVES

ACTIVITIES

understand the purpose of "no-fault" insurance.



Share experiences in settling claims for collisions.

Discuss comprehensive insurance. This includes loss by: explosion, falling objects, fire, flood, broken glass, lightening, missiles (rocks, baseballs, etc.), theft, vandalism, windstorm, and collision with birds and animals.

Discuss uninsured motorist insurance. This coverage protects you if you are injured by someone who does not carry insurance or by a hit-and-run driver.

Ask students to check with their friends and families to see if they have this coverage.

Discuss the reasons for carrying this kind of insurance.

Ask an insurance agent to speak to the class on "no-fault" insurance.

Discuss with the students "no-fault" is automobile insurance in which there is no necessity to prove anyone's fault or negligence.

Have two groups of students do library research on "no-fault" insurance. One group should research the advantages; the other group should research the disadvantages. Then have the groups debate the pros and cons before the class.

Do we have this coverage in Oklahoma? Have students discuss with parents if they would favor "no-fault" coverage. Relate to uninsured motorist coverage.

RESOURCES

Share The Risk: The Insurance Game, Changing Times Educational Services, 1729 H Street, N. W. Washington, DC 20006.

A Guide to Life Insurance for Women Only, American Council of Life Insurance, 277 Park Avenue, New York, NY 10017.

Automobile Insurance, Insurance Information Institute, 110 Williams Street, New York, NY 10038, (Filmstrip).

Priorities, Decisions, Security, Education Division, Institute of Life Insurance, 277 Park Avenue, New York, NY 10017, (Filmstrip and game).

A Date With Your Future, Institute of Life Insurance, 277 Park Avenue, New York, NY 10017, (Game).

Insurance for the Home, Insurance Information Institute, 110 William Street, New York, NY 10028 (Filmstrip).

Insurance, Film Librarian Public Relations and Advertising Department D-A, Aetna Life and Casualty, 151 Farmington Avenue, Hartford, CT 06115.

Insurance, Changing Times Educational Services, 1729 H Street, N. W., Washington, DC 20006.

Insurance: You and Your Car, Interpretive Education, Division of Illinois Envelope Company, 400 Bryant, Kalamazoo, MI 49001, (Filmstrip).

Managing Your Money, Cuna Mutual Insurance Society, P. O. Box 391, Madison, WI 54701.

To Life With Love, Modern Talking Pictures, Inc., 2323 New Hyde Road, New Hyde Park, Ny.

Marriage and Money, Institute of Life Insurance Company, 277 Park Avenue, New York, NY 10017.

A Family Guide to Property and Liability Insurance, Insurance Information Institute, 110 William Street, New York, NY 10038.

RESOURCES

The following items, 1-6 can be ordered by teachers in quantities from: Director, Education and Community Services, American Council of Life Insurance, 1850 K Street, N. W., Washington, DC 20006.

1. Making the Most of Your Money
2. Policies for Protection: How Life and Health Insurance Work
3. Sets, Probability and Statistics: The Mathematics of Life Insurance
4. Career Opportunities for You in Life and Health Insurance
5. The Search for Economic Security
6. The Money Manager: Step by Step to Money Management

The following items, 7-19 can be ordered by teachers, one copy each, from the above address.

7. Sample Life Insurance Policy
8. Life and Health Insurance: A Guide for Young Adults
9. Teaching Topics
10. Protecting Your Future: An Activity Master Program on Life and Health Insurance
11. Understand Your Life Insurance
12. Life Insurance Fact Book
13. Source Book of Health Insurance Data
14. Youth 1978
15. Current Social Issues: The Public's View
16. Data Track No. 4 Households and Families
17. The Booklet You Have in Your Hand is Not Designed to Sell You Life Insurance
18. Plain Talk About Your Life Insurance Policy
19. Let's Talk About Money

20. Films are available from the State Department of Education:

Filmstrip with cassettes: Choices and Decisions, Becoming a Wise Consumer

1. Budgeting: Learning to Plan
2. Buying: Spending Resources Wisely
3. Protecting: Using Life and Health Insurance
4. Adapting: Coping with Change

Four copies are available for loan.

21. Films/filmstrips available from the Oklahoma State Association of Life Underwriters, 4010 N. Lincoln Blvd., Suite 202, Oklahoma City, OK 73102.

Filmstrips with cassettes: (Same as No. 20).

FOOTNOTES

1. S. S. Huebner and Kenneth Black, Jr., Life Insurance, Ninth Edition, Prentice-Hall, Englewood Cliffs, NJ, 1976, pp. xiii and xiv.
2. Ibid, p. 3.
3. Davis W. Gregg and Vane B. Lucas, Life and Health Insurance Handbook, Third Edition, Richard D. Irwin, Inc., 1973, Chapter 9.
4. Estate Research Company, Vernon Publishing Services, Inc., Vernon, CT, 1975.
5. Charles F. Hull, Chairman, Education Committee, Oklahoma State Association of Life Underwriters.
6. Huebner and Black, op. cit., p. 88.
7. Salesmaker II, American Council of Life Insurance, Vernon Publishing Services, Inc., Vernon, CT, 1980.
8. Hull, op. cit.
9. Gregg and Lucas, op. cit., p. 41.
10. Huebner and Black, op. cit., p. 307.
11. Gregg and Lucas, op. cit., p. 42
12. Huebner and Black, op. cit., pp. 307 and 308.
13. Ibid, p. 18.
14. Hull, op. cit.
15. Ibid.
16. Grand Rapids Press, February 13, 1971 issue, Grand Rapids, IA.
17. Hull, op. cit.
18. Gregg and Lucas, op. cit., p. 882.
19. Life Insurance Buyer's Guide, National Association of Commissioners, October, 1977.
20. Gregg and Lucas, op. cit., Chapters 28 and 29.

CREDIT

GOAL: The student should understand the importance of the wise use of credit.

Understanding: Reasons For and Cost of Borrowing

OBJECTIVES	ACTIVITIES
The student(s) will:	
explain why individuals borrow.	Initiate a discussion on the advantages and disadvantages of borrowing. Illustrate the need for credit on large purchases (refrigerator, stove, etc.). Will all families have immediate cash to pay for these items? Discuss with the students items that are commonly purchased on credit for the home. Why?
understand why consumers may be willing to pay interest.	Provide the students with a list of goods they might want to purchase (i.e., motorcycle, television, video game, etc.): Include two columns, price and price plus interest. Discuss the additional cost of the purchase resulting from buying on credit and whether or not the cost of financing can be justified. Have the class discuss several situations in which borrowing and interest payments may be simulated.
become aware of why it is beneficial to shop for credit terms and repay loans on time.	Use a small group activity and have each group select room furnishings from a catalog and then total the cost of the furnishings. The teacher will assist the students in calculating loan payments and interest on the furnishings after contacting several local financial institutions for their loan rates. Also, prepare a sample budget for each group and let them determine if this would be a wise purchase for the family to make. Role play credit situations in which the borrower does not repay the loan. What happens the next time the borrower requests credit? What are the consequences of not paying? Discuss garnishment, repossession, etc. Discuss and define credit rating with the students. Invite a resource person from a credit bureau or financial institution to discuss credit ratings.
understand that credit is potentially helpful or harmful, depending on how it is used.	Divide the class into small groups to list advantages and disadvantages of using credit. Ask students to identify several types of credit cards. Differentiate between credit cards and charge accounts.

EVALUATIONS

RESOURCES

Have the students explain orally or in writing why individuals borrow.

All About Credit, Changing Times Education Service, 1729 H Street, NW, Washington, DC 20006.

Consumer, A Game for Installment Buying, John Hopkins Press, Baltimore, MD 21218.

So You Want to Use Credit, Changing Times Education Service, same address as above.

Give an essay test.

What Truth and Lending Mean to You, Board of Governors, Federal Reserve System, Washington, DC 20551.

The Good Things of Life, International Consumer Credit Association, 375 Jackson Avenue, St. Louis, MO 63130.

How To Choose and Use Retail Credit, Consumer Information Services, Sears, Roebuck and Company, Department 703-WT, Sears Tower, Chicago, IL 60684.

Assign a teacher-prepared test.

Finance Facts, National Consumer Finance Association, Educational Services Division, 601 Solar Building, 1000 16th Street, NW, Washington, DC 20036.

The Wise Use of Credit, NET Film Service, Indiana University, Audio-Visual Center, Bloomington, IN 47401.

How To Use Consumer Credit Wisely, International Consumer Credit Association, 375 Jackson Avenue, St. Louis, MO 63130.

The Flip Side of Paradise, The Credit Bureau, 2519 West 23rd, Oklahoma City, OK 73107.

To Your Credit, Consumer Credit Counseling Service, Box 75405, Oklahoma City, OK 73147.

Money Management Worksheet, Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, TX 77036.

Evaluate checklists.

Shopping For Credit Can Save You Money, U.S. Department of Agriculture, Office of Information, Washington, DC 20250.

An essay test explaining the legal position of the creditor may be given.

A Teacher's Guide to Money, Banking, and Credit, Joint Council on Economic Education, 1212 Avenue of the Americas, New York, NY 10036.

The Forms of Credit We Use, National Foundation for Consumer Credit, Inc., 1819 H Street, NW, Suite 510, Washington, DC 20006.

OBJECTIVES

ACTIVITIES



recognize why the availability of credit to individual consumers varies according to personal and economic factors.



Discuss the following:

1. What are the effects of too much credit?
2. What is the effect when a furnace blows up because the family would not use credit to finance the repair.
3. What is your responsibility as a co-signer?
 - a. All of the parties involved in a co-signed obligation share equally the responsibility for repayment of the debt.
4. Brainstorm the responsibilities of:
 - a. The consumer to the creditor.
 - b. The consumer to himself/herself.
 - c. The creditor to the consumer.

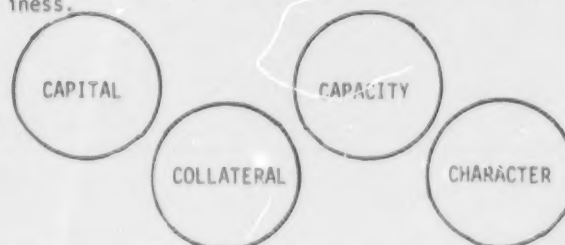
Survey the class to determine how many have used credit in some form. Discuss reasons for credit use:

1. Convenience
2. Increased purchasing power
3. Emergency needs

Show the film, The Money Tree. (See resources)

From a list of different credit plans on the same product--ask the students to select the best plan for their particular income (i.e., installment, 30-day, credit card, etc.).

Discuss with the students why two people with the same amount of income may not qualify for the same amount of credit. The condition of your credit, amount of security, and ability to pay due to existing monthly obligations are factors other than income which determines credit worthiness.



Examine a credit application with the class and have the students determine where the various sections would fit into the preceding design.

Discuss with the students the following questions:

1. What personal factors influence the availability of credit?
2. What economic conditions influence the availability of credit?
3. What is the role of credit in the total economy?

EVALUATIONS



Essay test may be given.

Identify the four C's of credit.

RESOURCES

Cash or Credit. Teaching Resources Films, 2 Kisco Plaza, Mt. Kisco, NY 10549.

When You Use Credit, Money Management Institute, Household Finance Corporation, Prudential Plaza, Chicago, IL 60601.

Money Management and Family Financial Planning, A-V Resources, Audio Visual Services, Aetna Life, 151 Farmington Avenue, Hartford, CT 06156.

The Money Tree, Consumer Credit Counseling Service, Box 75405, Oklahoma City, OK 73147.

Money and Your Marriage, Education Service Division, National Consumer Finance Association, 1000 16th Street, NW, Washington, DC 20036.

Getting Credit, National Education Association, 1201 Sixteenth Street, NW, Washington, DC 20036.

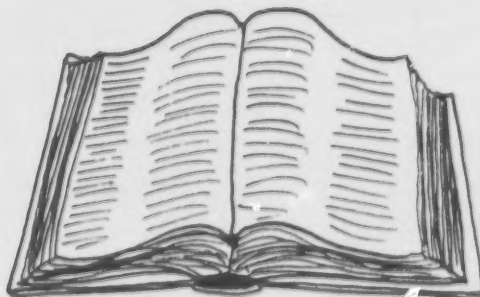
Women and Retail Credit, Educational Relations Department, J. C. Penney Company, 1301 Avenue of the Americas, New York, NY 10019.

Who Gets the Credit? National Consumer Finance Association, 601 Solar Building, 1000 Sixteenth Street, NW, Washington, DC 20036.

Oklahoma Department of Consumer Credit, Jim Thorpe Building, Room B-82, Oklahoma City, OK 73105, (contact John McClure for information and services.).

You and Your Bank Credit Card, Channing L. Bete Company, 45 Federal Street, Greenfield, ME 01301.

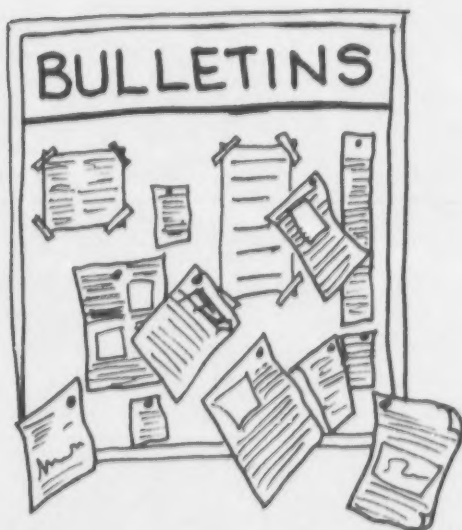
The Federal Union Credit Act, National Credit Union Administration, 1015 M Street, NW, Washington, DC 20456.



OBJECTIVES

become aware of the importance of understanding that numerous kinds of credit exist.

explain how differing consumer needs effect selection of the credit source.



ACTIVITIES

Conduct a class discussion on the differences between loans and retail credit. Loan credit is extended for many purposes; it does not necessarily involve the purchase of goods. Retail credit is always the result of a purchase of goods or services and is a sale based upon a condition to buy.

Discuss with the students the differences between lender and seller credit cards.

1. A lender credit card is in most cases issued by a bank and can be used with a number of different merchants (VISA, Master Card, etc.).
2. A seller credit card is issued by a retail company and can only be used with that company (Wards, Penneys, etc.).

Conduct a class discussion on the difference between open-end and closed-end credit.

Ask the students to identify the kinds of credit available in the community.

Give the class several situations and have them select the kind of credit that would most appropriately meet economic and personal needs.

Have the students discuss the reasons why it is as important to shop for credit as it is to shop for goods and services.

Prepare a bulletin board display of appealing pictures of items valued by teenagers. Have the students select an item and shop for credit by using newspaper ads, magazines, and yellow pages of the telephone book. Display examples of credit sources found.

Select the source of credit most appropriate for given consumer needs. Consider such sources as banks, savings and loan institutions, small loan companies, credit unions, etc.

Students may investigate or visit business establishments, and gather information from resource people for class presentations. Have small groups work on a chart comparing types of credit offered, and credit costs of different types of lending agencies.

Have the students discuss the perils of dealing with usurious lenders and examine differences between reputable and non-reputable creditors. Make a checklist for shopping for credit. Discuss appropriate action to take when encountering dishonest credit practices.

Brainstorm sources of credit that are not commonly considered. Discuss advantages and disadvantages of each source.

EVALUATIONS

RESOURCES

Give teacher-prepared test.

How Much Is Too Much and Who Should Decide?
Credit Counseling Centers, Michigan Consumer
Education Conference, Michigan Consumer Educa-
tional Center, 217A University Library, Eastern
Michigan University, Ypsilanti, MI 48197.

Assign written or oral reports.

How To Choose and Use Retail Credit, Consumer
Information Services, Sears, Roebuck and
Company, Department 703-WT, Sears Tower,
Chicago, IL 60684.

If You Use A Credit Card, Board of Governors,
Federal Reserve System, Washington, DC 20551.

It's Your Credit--Manage It Wisely, Money Manage-
ment Institute, Household Finance Corporation,
Prudential Plaza, Chicago, IL 60601.

Credit Unions, Wayne State University Press,
5980 Cass Avenue, Detroit, MI 48202.

A matching test may be given on credit
sources.

Evaluate checklist.



OBJECTIVES

demonstrate a knowledge that credit is a service, the cost of which varies according to many factors involved in a transaction.



understand the adequacy of credit transactions in terms of laws regulating interest rates and disclosure information.

ACTIVITIES

Use real contracts and explain to the students the promises they will make when they sign a credit contract.

Invite a resource person to explain why credit costs vary. Discuss costs other than finance charges that might be included in credit transactions (credit life or health insurance, filing fees, etc.). Determine whether these costs are voluntary or involuntary.

Define annual percentage rate and show examples of contracts with this rate circled in red. Show the students how annual percentage is calculated.

Use examples to show that the dollar cost of credit is the difference between the cash and credit price.

Select two groups of students to calculate the finance charge for the same loan, but for different lengths of time.

Prepare cost comparison sheets and have the students figure dollar costs and annual percentage rates for two problem situations.

Obtain figures from a number of different lending agencies and place findings on a transparency. Discuss: "How did the size and length of payments effect the dollar cost?" "What is the advantage of a large down payment?"

Ask the class to compare the dollar cost and the annual percentage rate of credit from each of the agencies on the preceeding mentioned transparency.

Obtain several sample credit contracts and discuss the meaning of the terms used.

Discuss with the students how the consumer is made aware of credit costs through education, counseling, and protection laws.

Have the students prepare a list of at least eight of the required disclosures of Truth-in-Lending: The amount financed, total number of payments and amounts, finance charge expressed as a dollar amount, finance charge expressed as an annual percentage rate, date on which the finance charge begins to apply, due date, number and amount of installments, size of installment, penalty for late payment, amount for late payment, description of security, etc.

Invite a local manager or attorney to talk on debtor rights.

Have students role play situations involving cancellations of credit contracts to determine advantages and disadvantages of buyer's right to cancel.

EVALUATIONS

RESOURCES

Solve math problems on figuring interest rates and credit costs.

Identify factors affecting the cost of credit.

Consumer Credit and You, National Finance Association, 1000 Sixteenth Street, NW, Washington, DC 20036.

Mathematics for the Consumer, Southwestern Publishing Company, 11310 Gemini Lane, Dallas, TX 75229.

Equal Credit Opportunity Act, Federal Trade Commission, 633 Indiana Avenue, NW, Washington, DC 20580.

Fair Debt Collection Practices Act, Federal Trade Commission, same address as above.

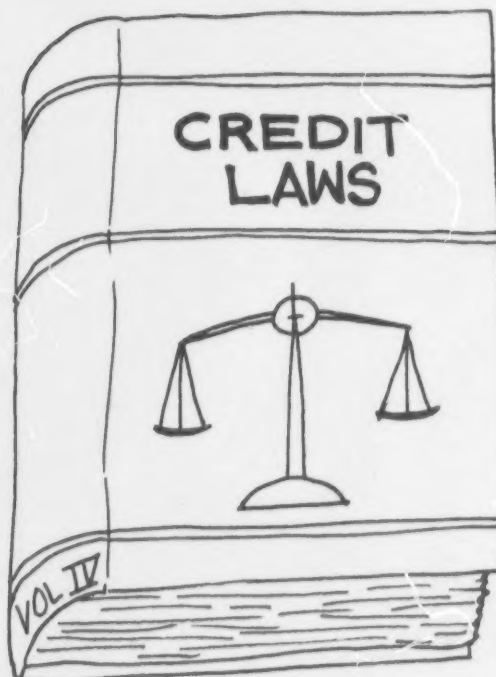
Fair Credit Billing Act, Federal Trade Commission, same address as above.

Guide to Consumer Credit Code, Department of Consumer Credit, B-82, Jim Thorpe Building, Oklahoma City, OK 73105.

Give teacher-prepared test on credit terms.

Evaluate checklist.

Give teacher-prepared test on credit laws.



OBJECTIVES

ACTIVITIES

be aware of state credit laws and how they affect the consumer.

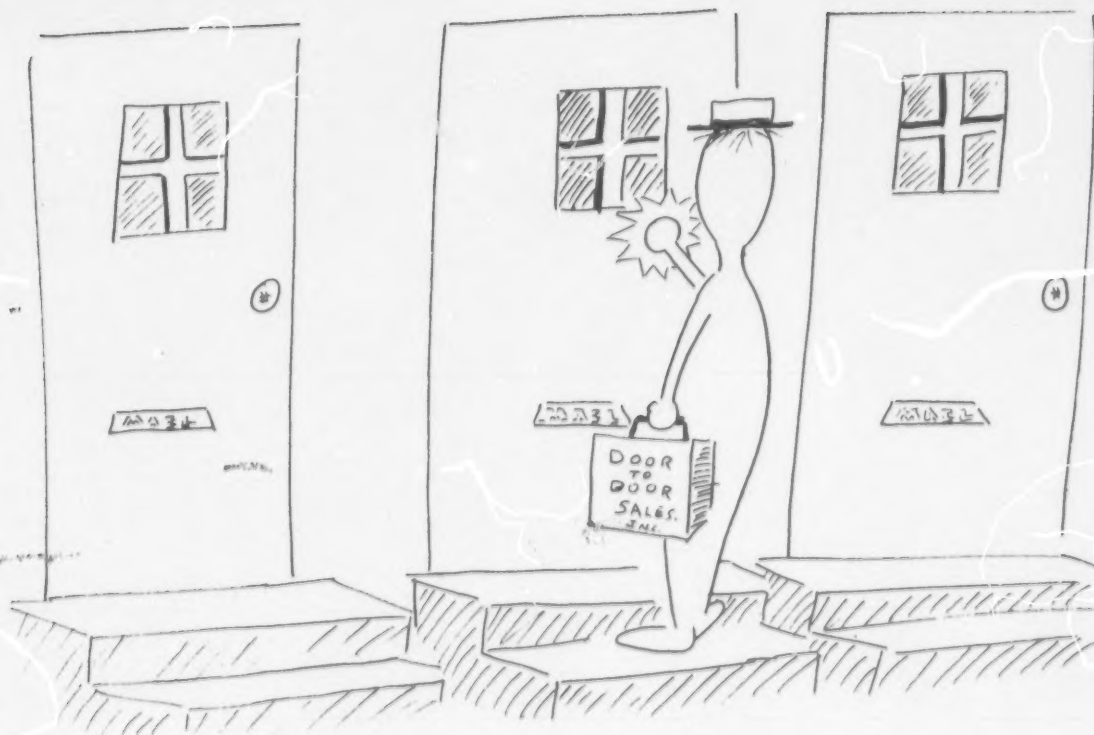
Ask students to investigate and report other local, state, and federal consumer credit laws and make reports.

Discuss with students home solicitation sales and their right to cancel within three days.

Invite a speaker to discuss: The Equal Credit Opportunity Act, Fair Credit Billing Act, and Fair Debt Collection Practices Act.

Review a copy of the Fair Credit Reporting Act and discuss ways it protects the consumer.

Have a credit bureau official discuss the purpose and function of a credit bureau.



EVALUATIONS

RESOURCES

Use the following questions as a short essay test:

Name at least three functions of a credit bureau.

Identify at least three uses of credit reports.

Predict the consequences of failing to maintain a satisfactory credit record.

What is a Credit Bureau? Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, TX 77036.

What is a Bill Collector? Associated Credit Bureaus, Inc., same address as above.

Debt Counseling, AFL-CIO, 805 Sixteenth Street, NW, Washington, DC 20006.

Family Credit Counseling--An Emerging Community Service, Family Service Association of America, 44 East 23rd Street, New York, NY 10010.



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PURCHASING

GOAL: The students should acquire a basic understanding of the skills that are necessary to make rational decisions when making purchases in the marketplace.

Understanding: Purchasing in the Marketplace

OBJECTIVES

ACTIVITIES

The student(s) will:

understand the motivations which stimulate consumers to purchase.

1. Peers
2. Advertising
3. Easy credit
4. Family
5. Personal needs



identify and appraise sales promotional devices.

Have students survey friends and parents to find out why they made a specific purchase (car, camera, watch, or clothing). Compile the results. Ask each class member why they purchased a specific item and discuss what motivates people to make purchases.

Have students compose an advertisement in a form they think would appeal to their peers. Identify the motivational appeal used.

Discuss the effects of easy credit as a motivational device.

Have students prepare a list of publications that appeal to a special interest group.

Have students read *The Hidden Persuaders* by Vance Packard or *Unsafe at Any Speed* by Ralph Nader or *The Greening of America* by Charles A. Reich or *Your Money's Worth* by Schlink and Chase or *Since Unsafe at Any Speed* by Ralph Nader.

Students will describe the last piece of clothing they purchased and tell why they bought it, when they bought it, whether they still like it, whether they would buy it again, and what influenced their choice.

Form groups to research and evaluate the Federal Trade Commission and the Better Business Bureau.

Analyze three television commercials and three radio commercials to identify the motivational technique used in each.

Assign a team of class members to do research on the cost of advertising.

Ask a resource person in advertising to discuss standards of advertising.

Prepare a bulletin board display showing how advertising influences our choices.

Have students visit local stores and prepare a list of ways in which customers are "enticed" to enter.

Discuss why stores use contests, demonstrations, discounts, leaders, sales items, etc.

EVALUATION

RESOURCES

List and explain four motivational appeals which stimulate consumers to purchase an item.

Enough--Revolution of the American Consumer, Phillips Petroleum Company, 4 Phillips Building, Bartlesville, OK 74004.

There Ought To Be A Law, Office of Legal Records, Room 130, Federal Trade Commission, Washington, DC 20580.

What's Behind a Warranty, Product Information Department, Corning Glass Works, Building E-17, Corning, NY 14830.

Is Anybody Listening? Modern Talking Picture Service, 2323 New Hyde Road, New Hyde Park, NY 11040.

Assign a book report on one of the books.

Consumer Redress, Changing Times Education Service, 1729 H Street, N. W., Washington, DC 20006.

Sears Catalog of Learning Aids, Consumer Information Services, Department 703, Public Relations, 303 East Ohio Street, Chicago, IL 60611, Among these are:

How To Select Infants and Children's Clothes

How To Select Major Home Appliances

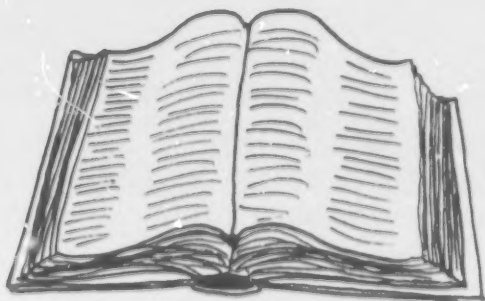
How To Select Furniture

Critique three promotional devices.

Federal Trade Commission, Bureau of Consumer Protection, 6 and Pennsylvania Avenue, N. W., Washington, DC 20580.

Federal Trade Commission, Bureau of Consumer Protection, 2001 Bryan Street, Dallas, TX 75201.

Consumer Advertising, Procter and Gamble Educational Services, P. O. Box 14009, Cincinnati, OH 45214.



OBJECTIVES

be able to use effective techniques of consumer purchasing.

"Do I need
this?"



ACTIVITIES

Contact a representative of the "newcomer's service" and ask the person to discuss with the class who pays their salary and why.

Have students compare prices of goods in a store that gives trading stamps with one that does not offer stamps.

Discuss with the class wants and needs.

Make the students aware of these basic questions that need to be answered before they decide to purchase goods by filling out a form answering the following questions on a specific item.

1. Do you need or want this article more than other goods or services costing the same?
2. Will this article or service satisfy your need?
3. Where can you obtain the item you wish?
4. Are you getting your money's worth?
5. Is this the right time to buy?
6. Is the item in a form in which you can use?
7. Is this the first article you should buy (priorities must be established)?
8. Could you make the article you need yourself?
9. Can you compare prices and quality?
10. Do you understand standards, grades, labels, and guarantees?

Ask a resource person from a local store to speak to the class on "Tips for the Wise Shopper."

Write a company to find out how they establish their own standards.

Have the students compare the quality and cost of at least two items. Discuss the results in class.

Give the students \$100 imaginary money and have them decide how they would spend it. Discuss the results.

With class participation, establish a criteria for purchasing. For example:

1. Is it durable?
2. Is the workmanship satisfactory?
3. Is the material of good quality?
4. Is reliable service available?
5. Is the style appropriate?
6. Will you enjoy owning it?
7. Does it fit your needs?

Discuss the value of consumer bulletins, consumer reports, and seals of approvals.

Lead students in a discussion on buying a service warranty on a major appliance. Mention rising costs of a service call.

EVALUATION

RESOURCES

Have students establish a criteria they would consider before making a purchase.

Consumer Buying Guide, Educational and Consumer Relations, J. C. Penney Company, 1301 Avenue of the Americas, New York, NY 10019.

Distinguish between needs and wants.

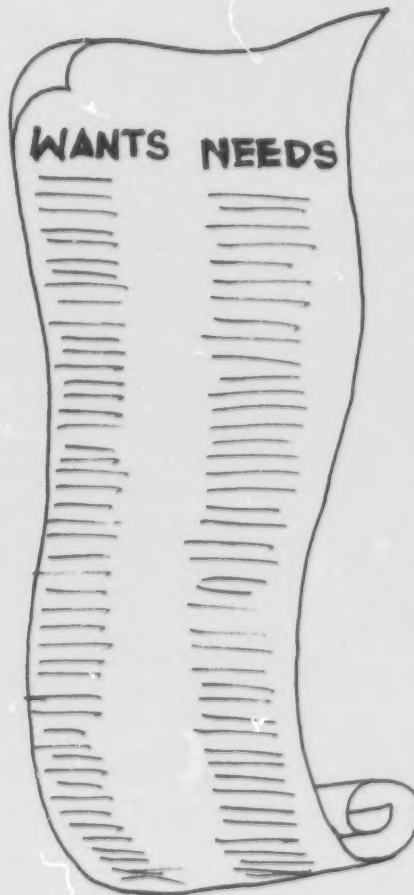
Consumer in the Marketplace, Pittman Publishing Corporation, 6 East 43rd Street, New York, NY 10017.

Consumer Guides to Buying, Southwestern Publishing Company, 5101 Madison Road, Cincinnati, OH 45227.

Consumerism--Things Ralph Nader Never Told You, Fortune, Harper, and Row Publishers, 150 Tices Lane, East Brunswick, NJ 08816.

Local stores.

Give teacher-prepared test.



OBJECTIVES

ACTIVITIES

obtain practical experience in the marketplace.

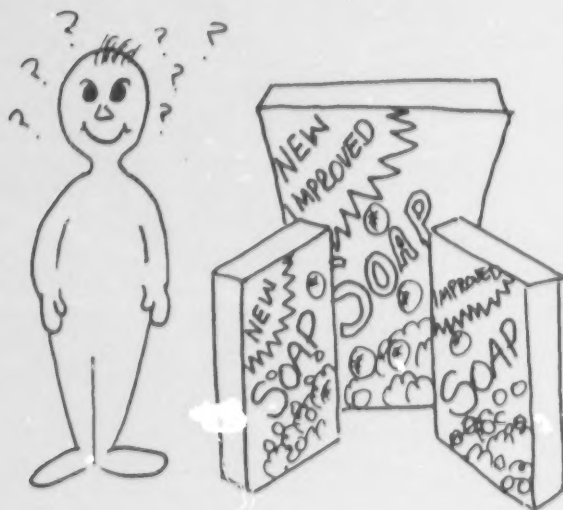
Organize the class into small committees and have them do comparison shopping on ten items in at least three stores. Compare and discuss the results.

Plan and organize a field trip to the following types of stores: discount, variety, department, and specialty. Debrief after the field trip.

Ask a resource person from a chain store to discuss different kinds of retail outlets.

Understanding: Food

understand and utilize good food buying habits.



be able to evaluate information provided on labels, grades, packaging, etc.

Invite a consumer cooperative representative to explain the operation of co-ops.

Invite a home economist or county extension specialist to discuss good food items.

Compare newspaper advertisements for standard food items.

Have students compare store brands and generic brands that sometimes represent good values at a lower price than nationally advertised brands.

Give four groups a list of ten food items to check prices at one of the following: convenience store, specialty store, supermarket, and cooperative. Emphasize differences in services, charges, and deliveries in class discussion afterwards.

Have students form small committees and plan a week's menu for a family of four, using a food budget of \$100. Ask a home economics teacher to select the best menus and explain why. If possible, let the students shop and make comparison price checking.

Invite a dietitian to explain good nutrition.

Have students consider factors such as price, quality, convenience, time, energy, and location in making food buying decisions.

Explain to students what to look for in government inspection stamps, how to read labels and code dating, and how to understand the meaning of grades and packaging.

Have students bring three labels from different brands of the same product. Compare contents, weight, price, etc.

Let the class judge a collage of labels and packaging that the students have made.

Have students compare cost per unit of measure for various forms of food: frozen, fresh, canned, or dehydrated.

be aware of food pricing policies, prices of manufacture and store brands, the influence of advertising, and sources of consumer protection and information.

EVALUATION

RESOURCES

Require students to list at least five things to look for in comparing one product with another.

Local stores

Give teacher-prepared test.

The Jungle, by Upton Sinclair.

Food and Drug Administration, Department of Agriculture, Washington, DC 20250.

Washington Consumers' Checkbook: Food, Washington Center for the Study of Services, Fourth Floor, 1518 K Street, N. W., Washington, DC 20005.

What's New in Labels, National Audiovisual Center, National Archives and Records Services, Washington, DC 20409.

The Owl Who Gave a Hoot, Consumer Fraud, Consolidated Film Industries, 959 Seward Street, Hollywood, CA 90038.

Give students information from three labels and ask them to choose the one which would be the best buy with the best nutritional value.



OBJECTIVES	ACTIVITIES
be aware of agencies that regulate food standards.	Take a field trip to a processing plant, chain store, warehouse, or fruit, egg, or produce market, to help the students understand the reasons for the spread in costs between the producer, the seller, and the consumer. Lead students in a discussion of ways consumers can complain about unsatisfactory food products or store policies. Assign students to write for information of food standards from the Department of Agriculture, Federal Trade Commission, Food and Drug Administration, and Bureau of Standards.
Understanding: Clothing identify characteristics of quality and workmanship in garments and fabrics. demonstrate a knowledge of terms associated with clothing buymanship. recognize the types of retail clothing stores and the advantages and disadvantages of buying at each. identify the types of clothing sales and the times these sales are most likely to occur.	Invite a retail clothing merchant to speak on what to look for in buying clothing. Classroom discussion on problems students have encountered in buying clothing: i.e., shrinkage, poor construction, etc. Examine several similar garments that students have provided to judge differences in quality and construction. Students will compile a list of terms associated with clothing buymanship. List the names of local clothing stores on the board. Have students classify them as to type: department store, discount store, specialty shop, or resale shop. Have students price similar items at these stores and compare the findings. Discuss this situation: "A friend asks you to go shopping for clothes and asks your advice on where and when to shop. How would you respond?" Have students bring clothing sale ads from newspapers. Display the ads on a bulletin board. Conduct a classroom discussion of the types of sales illustrated: clearance, special purchase, seasonal, pre-seasonal, etc. Invite a home economics teacher or student to speak to the class on home sewing vs. ready-made clothing. Assign students to do library research on current articles describing ways to cut clothing costs. Oral reports of findings should be given. Have students volunteer to bring garments from their wardrobe which were mistakes. Discuss why they are mistakes and how they could have been avoided.

EVALUATION

RESOURCES

List three government agencies that regulate food standards and explain their roles.

Give teacher prepared test over topics covered by speaker.

You and Your Clothing Dollars, Twenty-five Ways to Save Money and You and Your Housing Dollar, Channing L. Bete Company, 45 Federal Street, Greenfield, MA 01301.

Appearance Makes a Difference and Guide to Home Laundry, Celanese Fibers Marketing Company, Consumer and Retail Information, 522 Fifth Avenue, New York, NY 10036.

Guide for Permanent Care Labeling, National Retail Merchants Association, 100 West 31st Street, New York, NY 10010.

A vocabulary quiz involving terms associated with clothing buymanship may be given.

Assign a short essay test describing the types of retail clothing stores and the advantages and disadvantages of buying at each type.

Give short answer test requiring students to list and describe common types of clothing sales and tell when they are most likely to occur.

Evaluate reports.



OBJECTIVES

ACTIVITIES

Discuss these ideas:

1. The more you pay for a garment, the better quality it is.
2. You pay for the label in a garment.

Have a student group report on the laws relating to the labeling of clothing and fabrics. Have another group check local clothing stores to see if these laws are being followed.

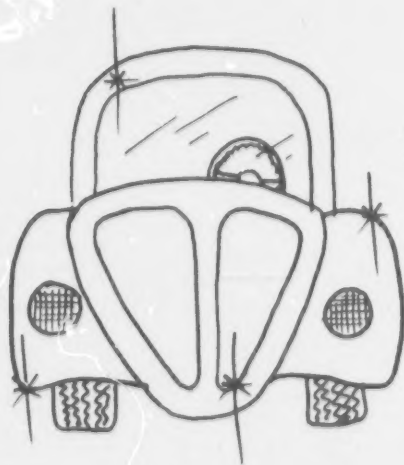
Have students collect warranties, guarantees, seals, labels, and tags from clothing purchases. Conduct a class discussion on this collection.

Conduct classroom discussion on why styles change. Follow with why fads exist and why they especially appeal to young people.

Understanding: Purchasing an Automobile

recognize the advantages and disadvantages of purchasing a new or used car.

understand the factors to be considered when purchasing a car.



identify sources for purchasing automobiles.

Have student groups examine Consumer Reports, auto magazines, and the "blue book" for new car ratings and comparisons; findings should be reported to the class.

Invite a used car dealer to explain to students the items they should consider when purchasing a used car. Request that the dealer bring a used car and show the students how to determine if they are getting a good buy.

Invite several local automobile dealers to conduct a panel discussion on items to be considered when purchasing a car: financing, options, guarantees and warranties, expected life of vehicle, maintenance facilities, etc.

Have selected students investigate and report orally on federal regulations concerning car manufacturing and how these rules effect the consumer (safety belts, emission controls, etc.).

Have small groups develop their own criteria in making a used car purchase.

Role play a buyer and a used car salesman. Discuss in class afterwards.

Have students visit a used car dealer to see if they allow auto mechanics to check their sale cars.

Have student groups do comparison shopping for the same make and model of car at several dealerships. Results should be reported to the class and followed by a class discussion on why differences in prices exist.

List on the board the places where automobiles can be purchased: dealership, individuals, and privately owned car lots.

EVALUATION

RESOURCES

Evaluate discussion.

Short essay test discussion on the advantages and disadvantages of purchasing a new or used car may be given.

National Automobile Dealers Association (NADA), 8400 West Park Drive, McLean, VA 22101, (Blue book).

Consumer Reports and current auto magazines available at local library.

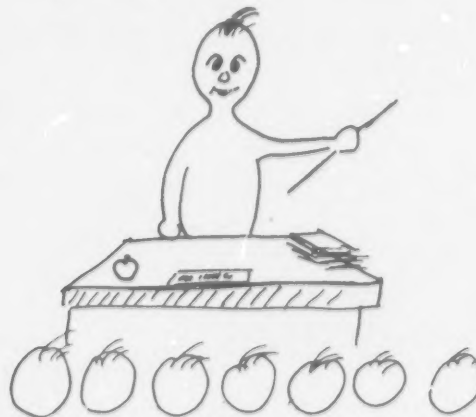
How To Buy a Used Car and How To Buy a New Car, Consumer Information Center, Pueblo, CO 81009.

Unsafe at Any Speed written by Ralph Nader.

Short answer test listing a specified number of factors to be considered when purchasing a new or used automobile may be given.

How To Buy a Used Car, Modern Talking Pictures, 2323 New Hyde Road, New Hyde Park, NY 11040.

Car Buying Made Easier, Ford Motor Company, Box 1975, The American Road, Dearborn, MI 48126.



Objective test requiring students to list and describe three sources for an automobile purchase may be assigned.

OBJECTIVES	ACTIVITIES
identify additional expenses incurred when an automobile is purchased.	List on the board expenses an automobile owner can expect in addition to purchase price. Include: license tag, insurance, tires, maintenance, gasoline, etc. Follow with a class discussion on the actual amount that should be allowed for each expense.
recognize various ways of financing an automobile.	Invite speakers from a bank, finance company, and a car dealership to discuss various methods of financing a car. Make a cost study of buying through different sources.
identify the problems in acquiring reliable maintenance and ways to prevent them from occurring.	Assign students to a library project dealing with automobile repair gimmicks and frauds and how to prevent being gypped on automobile repairs. Consult an auto mechanic. Oral reports should be given to the class. Talk about the years and miles service policy on cars. Have students collect pamphlets on warranties of different automobile manufacturers. Compare the costs of various services, such as: brake overhaul, tune-up, transmission resealing, etc., seldom covered by warranty.
understand the advantages and disadvantages of leasing a car.	Invite a local automobile leasing agent to speak to the class on the advantages and disadvantages of leasing or renting a car rather than purchasing one. Organize a classroom debate on purchasing vs. leasing a car.
Understanding: Housing	
recognize advantages and disadvantages of renting, buying, building, or leasing a home.	Invite a local real estate agent to discuss services provided to prospective buyers. Organize a classroom debate on renting vs. owning a home. Invite an attorney to speak to the class on the legal responsibilities of owning and renting a home. Obtain and study a copy of the Landlord and Tenant Act.
describe expenses associated with owning a home.	List on the board various expenses connected with owning a home. Allow a minimum amount for each item, based on local factors.

EVALUATION

RESOURCES

Objective test listing a specified number of expenses encountered when a car is purchased may be assigned.

Short answer test requiring students to list and describe the services of a specified number of automobile financing sources may be given.

Short essay test requiring students to discuss ways to avoid frauds and gyms in car care may be given.

Facts on Car Care, Firestone Tire and Rubber Company, 1300 Firestone Parkway, Akron, OH 44317.

Short essay test describing the advantages and disadvantages of purchasing a car as compared to those of leasing or renting may be assigned.

Essay test discussing the advantages and disadvantages of renting, buying, and building a home may be given.

Capital Straight Line--1-800-522-8555. (Obtain Landlord and Tenant Act).

Oklahoma Real Estate Commission, Home Buying Guide, Lawyers Title Insurance Corporation, Box 27567, Richmond, VA 23261.

Department of Housing and Urban Development, 301 North Hudson, Oklahoma City, OK 73102, Booklets include:

Home Buyer's Vocabulary
Buying a Home? Don't Forget Those Closing Costs
Questions About Condominiums

Consumer Product Information, 1715 K. Street, N. W., Washington, DC 20207. Booklets include:

Buying Smaller Appliances
Wise Home Buying

OBJECTIVES



Identify methods of financing a home.

Be aware of terms associated with purchasing a home: amortize, escrow, lien, tenancy, mortgage, foreclosure, appraisal, equity, principal, and interest.

Understand qualities of good home construction.

Identify ways to economize on home utility expenses.

ACTIVITIES

Elicit student discussion on the following statements:

1. You have to build at least two houses before you get what you want.
2. Never build a house before you employ an architect.
3. All contractors must be watched carefully.
4. It is better to do your own contracting than to hire a contractor.
5. It is better to buy an older home and remodel it than to buy a new home.

Prepare a bulletin board display illustrating types of housing.

Examine the want ads in local newspapers for types and costs of available housing. If possible, obtain newspapers from other cities and states and compare housing types and costs with what is available locally.

Invite a real estate broker to tell the class how location, style, and age effect the cost of a home.

Check the availability of home owner warranties programs (HOW).

Organize a panel discussion with representatives from various types of local financial institutions. Have members discuss methods of home financing and the method of determining how much one can afford to pay for housing.

Invite a savings and loans officer to discuss VA/FHA and conventional home financing.

Invite a local lawyer to class to discuss how a homeowner can sell a house without the assistance of a real estate broker.

Use a word association puzzle containing terms and definitions associated with purchasing a home to familiarize students with terminology.

Invite a local builder to speak to the class on factors to look for in home construction. Also, what to beware of in purchasing an older home (roof, termites, repairs, location, etc.).

Plan a field trip to homes in various stages of construction. Look for signs of quality.

Have each student draw on graph paper, a floor plan for his/her "dream house." To be included are the footage, an estimate of building costs, and a description of exterior construction materials. Decide how many squares should equal one square foot--include windows, doors, closets, stairs, etc.

EVALUATION

Give an objective test listing a specified number of expenses encountered in home ownership.

Assign a short essay test requiring students to list and describe a given number of ways to finance a home purchase.

Give a vocabulary quiz on the terms associated with home financing.

Evaluate puzzles.

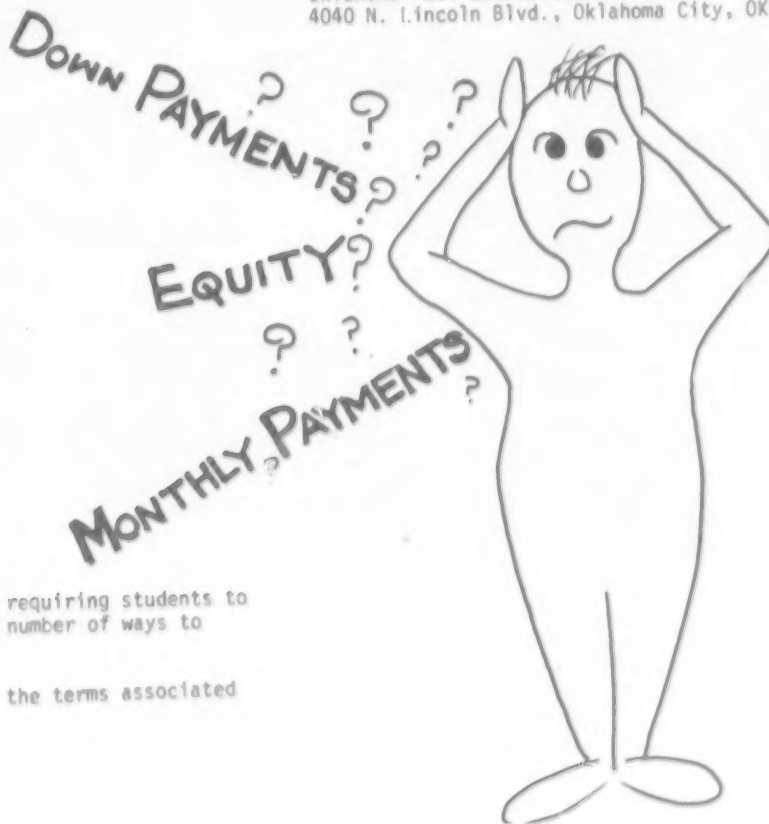
Give objective test that asks for a listing of a specified number of qualities found in good home construction.

Give an objective test listing a required number of ways to economize on home utility expenses.

RESOURCES

Homeowners' Warranty, Inc., 625 Northwest Expressway, Oklahoma City, OK 73154.

Oklahoma Real Estate Commission, Suite 100, 4040 N. Lincoln Blvd., Oklahoma City, OK 73105.



Homebuyer's Handbook, Housing Research Foundation, Southwest Research Institute, San Antonio, TX.

Minnesota Agriculture Extension Service, Institute of Agriculture, University of Minnesota, St. Paul, MN 55108. Booklets include:

Costs of Owning a Mobile Home
The Home Seller's Guide

National Association of Home Builders, National Housing Center, Fifteenth and M Streets, N. W., Washington, DC 20005. Booklets include:

Condominium Buyer's Guide
How to Buy a Home
A New Home Is Your Best Investment

OBJECTIVES

describe alternatives in housing.

1. Condominiums
2. Cooperatives
3. Government
 - a. Subsidized
 - b. Public
4. Mobile Homes
5. Townhouses
6. Apartments



describe the social problems related to inadequate housing.

ACTIVITIES

Have student groups research methods of cutting home utility costs--using the library and utility companies as sources of information. Findings should be reported to the class. Solar energy should be included as a part of this project.

Discuss: "Why might it be advisable to insure the contents of your apartment? Where can you get necessary information?"

Have an FHA official explain the advantages and disadvantages of home associations. What are some of the problems which might arise in joint ownership of such properties?

List the advantages and disadvantages of apartment living. Discuss possible problems that might arise from not taking precautions in signing a lease.

Compile a list of things you should look for when apartment hunting:

1. Energy efficient
2. Payment of bills
3. Pets or children
4. Deposits (utility and rent)
5. Security
6. Laundry facilities
7. Recreational facilities
8. Guest requirements
9. Notice of lease cancellation
10. Parking
11. Age
12. Repairs
13. Satisfaction of current tenants

Visit a mobile home dealer and find out how to shop for a mobile home. Ask the dealer to discuss financing plans.

Have a group of students investigate and report orally on laws affecting mobile homes.

Assign student groups to research alternative housing, and report orally to the class.

Organize a panel discussion on substandard housing and its effects on society. Members might include a public health official and government housing official.

Discuss advantages and disadvantages of historical restoration of a neighborhood.

EVALUATION

RESOURCES

Matching exercise involving alternative housing methods and their definitions may be given.

Mobile Homes for Moderns--A Teaching Unit,
Mobile Home Manufacturers Association, Consumer
Education Division, P. O. Box 201, 14650 Lee
Road, Chantilly, VA 22021.

Mobile Housing Resource Package, Manufactured
Housing Institute, P. O. Box 301, 14650 Lee
Road, Chantilly, VA 22021.

Oklahoma Finance Agency, 4001 Lincoln Blvd.,
Oklahoma City, OK 73105.



Essay test discussing social problems related
to inadequate housing may be given.

OBJECTIVES	ACTIVITIES
recognize the changing needs in housing according to stages of the family life cycle.	Divide the class into discussion groups. Appoint a person to report to the class from each group. Give each group one of the following situations to discuss and decide the best type of housing for the circumstances 1. Single working girl 2. Young married couple, both working 3. Young married couple, husband in school, wife working 4. Young couple, three children 5. Middle-aged couple, two teen-aged children 6. Aging couple, retired 7. Widow or widower
Understanding: Furniture	
recognize the levels of quality in furniture construction.	Visit several types of furniture dealerships. Have dealers explain and demonstrate construction criteria. Follow with a classroom discussion comparing construction, costs, and services. If possible, visit a furniture manufacturer to see the actual construction process. Invite an interior decorator to speak to the class on the characteristics, care, and cost of various fabrics used in furniture manufacturing. Fabric swatches should be utilized.
demonstrate a knowledge of furniture rental and leasing.	Invite a furniture lease-rental dealer to speak to students about the advantages of renting or leasing furniture.
describe general categories of furniture styles.	Invite a home economics teacher to discuss basic furniture styles with the class. Slides or transparencies should be used to illustrate fad styles and continuing styles. Organize a local housing tour. Emphasize such points as furniture styles and arrangements.
display the ability to make good furniture choices.	Divide class into discussion groups; give each group a situation from the list below. Have each group decide what types of furniture are most suitable. Appoint a person from each group to report results to the class. 1. Single working person, apartment 2. Young married couple, no children, apartment 3. Young married couple, several children, house 4. Retired couple, apartment 5. Middle-aged couple with teen-aged children, house Assign students to locate sources of used furniture and report findings to class and give periods of style.

EVALUATION

RESOURCES

Evaluate reports.

Make an objective test requiring students to list a given number of quality signs in furniture construction.

Hoover-Seng Furniture Facts, Hoover Universal Wire Spring Division, Show Alter Drive, Georgetown, KY 40324.

Furniture Industry Consumer Action Panel (FICAP), P. O. Box 951, High Point, NC 27261.

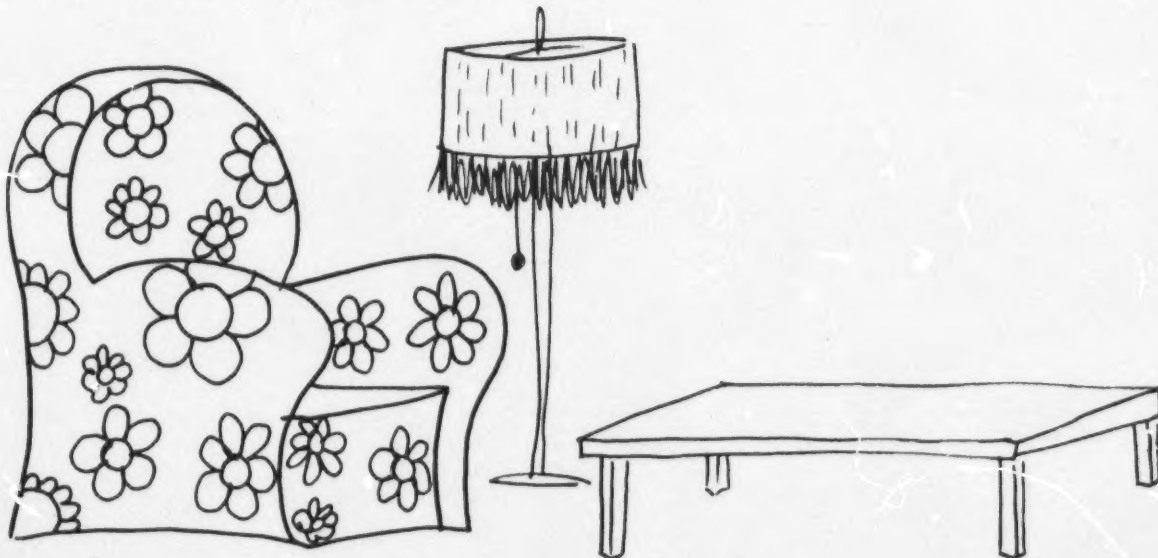
Kroehler Manufacturing Company, 222 East Fifth Avenue, Naperville, IL 60540. Booklets include:

Consumer's Furniture Buying Guide Series
Kroehler Cut-Outs and Room Planner

Have students give two advantages and two disadvantages of leasing rather than buying furniture.

Magazines, furniture stores, and catalogs.

Give an identification test requiring students to name the furniture sketched.



OBJECTIVES

ACTIVITIES



recognize ways to prolong the life of furniture through proper care and use.

Using catalogs let students completely furnish a two-bedroom apartment including linens, silverware, furnishings, dishes, etc., and show the total cost.

Discuss the feasibility of purchasing used furniture. Invite an extension home economist to demonstrate furniture upholstery and re-finishing.

Discuss with the students the factors that effect furniture choice. Include family size, income, life style, and mobility.

Discuss "as is" purchases and freight-damaged purchases.

Have a student group find out the best time of the year to purchase furniture.

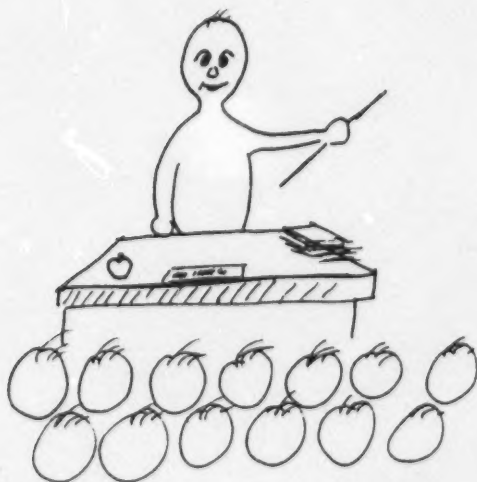
Students assume they are going to redecorate their rooms at home. Each is to prepare a floor plan showing furniture placement, to indicate the furniture style used, also, price the furniture at a local furniture store.

Collect and bring to class booklets on tips for care of furniture.

Collect current newspaper and magazine articles on proper care and maintenance of furniture.

Understanding: Appliances

be able to comparison shop.



List on the board the appliances students would like to have in homes of their own. Have class rank the items in order of priority.

Problem test: Given a sum of money, students will choose appliances in order of priority and justify choices.

Assign student groups to do comparison shopping for selected household appliances from various sources: department store, discount store, appliance store, and catalog. Findings should be reported to class.

Have students, individually or in groups, research a particular type of appliance in Consumer Research or Consumer Reports.

Initiate a class discussion about the reasons why there are so many different models of appliances such as TV's, refrigerators, etc.

Have selected students price a particular small appliance or large appliance at different stores and report findings to the class.

EVALUATION

RESOURCES

Give problem test having students furnish one room for a family of two small children. Students should give styles, costs, and reasons for choices.

Essay test requiring students to discuss ways to prolong the life of furniture may be given.

Teacher-prepared test may be given.



Buying Appliances? Comparison Shop Now to Avoid Service Troubles Later, First City National Bank, 399 Park Avenue, New York, NY 10022.

Appliance Care Package and How to Buy a New One, Too., Whirlpool Corporation, Department of Corporate and Public Affairs, Benton Harbor, MI 49022.

A Consumer Guide to Gas Range Selection, American Gas Association, 1515 Wilson Blvd., Arlington, VA 22209.

Consumer Product Information, 1715 K Street, N. W., Washington, DC 20207. Booklet included:

Buying Smaller Appliances

Major Appliances Consumer Action Panel (MACAP), 20 North Wacker Drive, Chicago, IL 60606.

OBJECTIVES	ACTIVITIES
understand the advantages and disadvantages of purchasing appliances on credit.	Invite a local used-appliance dealer to speak to the class on the purchase of used appliances vs. new appliances.
recognize safety standards in appliances.	Explain Major Appliances Consumer Action Panel (MACAP) to the students. This organization handles complaints about major appliances that cannot be resolved between consumers and their retailers, service agencies, and/or manufacturers. Address: MACAP, 20 North Wacker Drive, Chicago, IL 60606.
demonstrate a knowledge of guarantees, warranties, and service policies associated with appliance purchases.	Invite a credit manager of a local appliance store to discuss payment plans, defaults, and repossessions.
recognize hidden costs associated with the purchase of appliances.	Discuss the advantages and disadvantages of buying appliances on credit or paying cash.
be able to determine the energy efficiency of a given appliance relative to the efficiency of other similar appliances.	Gather information about the function of Underwriter's Laboratory, Good Housekeeping Seal of Approval, etc.
	Invite a representative from a utility company to speak to the class on safety features for electrical appliances. Demonstrations or films may be used.
	Have students research the Magnuson-Moss Warranty Act.
	Have students collect warranties and guarantees and discuss the features of each. Particularly, notice the procedures to be followed when an appliance malfunctions.
	Discuss the advantages and disadvantages of maintenance contracts for appliances. Obtain actual contracts, if possible, and examine the features and costs.
	Assign students to research the average lifetime to be expected from specified appliances.
	Take a field trip to a local utility company for a demonstration of the use and care of appliances.
	List a number of appliances on the board. Have students list hidden costs associated with each one; i.e., plumbing, wiring, carpentry, etc.
	In what ways is the source of power (gas, electricity, etc.) of the appliances an important factor?
	Have students visit appliance stores and obtain energy efficiency data on various appliances of like size and capability.

Give an essay test discussing the advantages and disadvantages of buying appliances on credit.

An objective test may be given requiring the students to list a given number of safety standards to look for in appliances.

Give a problem test with guarantee, warranty, and service contract, and various situations given. The students will decide what coverage applies to each situation.

Give an objective test requiring students to select an appliance and list the hidden costs associated with its purchase.

Assign a short-answer test.



QUACKERY, FRAUD, AND DECEPTION

GOAL: Students should develop a knowledge of fraudulent and deceptive business practices and unlawful and exaggerated claims for health cures and medications and be aware of various agencies and organizations that offer aid and protection to the consumer when needed.

Understanding: Quackery

OBJECTIVES	ACTIVITIES
The student(s) will:	
understand the meaning of quackery.	Have the students use a variety of resources to find out the meaning of quackery.
recognize some special telltale signs of health quackery.	Have students compile a list of phrases, statements, etc., that are sometimes used to promote quack medicines and treatments; for example, "just discovered!", "special new secret cure", "aging before your time", etc. Have students write a paper on "How to Spot Health Quack Practices." Have students research and compile a list of agencies--federal, state, and local--that are interested in helping consumers avoid being misled by quackery.
be able to think critically about claims for new and unproven medical cures and devices.	Invite a local health professions person to discuss quack medical devices (from copper arthritis bracelet to devices fitted with impressive-looking dials, switches, buttons, etc.) Write a critical essay on the magnitude and harmful effects of miracle cures and devices. Have students collect magazine or newspaper advertisements for a "new scientific discovery" for improvement of health or cure of a disease and share with the class the information they find. Have students discuss unproven drugs and devices coming into this country and their probable effect on the patient. The experts predict many marvelous things for the future, but many of them are mixed blessings. Discuss the following: 1. New miracle medicines 2. New miracle devices Have students discuss the psychology of fear as related to responses to quack gimmicks.
recognize that a qualified physician should be consulted for health problems.	Invite a local health professions person to speak to the class on "Why a medical doctor should be consulted on a health problem rather than trying home remedies or other questionable cures."

EVALUATION

RESOURCES

List various indicators of quackery.

Consumer in the Marketplace, Leon Levy, Robert G. Feldman, and Simpson Sasserath, Pitman Publishing Company, 6 East 43 Street, New York, NY 10017.

Guide to Consumer Credit Code, Department of Consumer Credit, 460 Jim Thorpe Building, Oklahoma City, OK 73105.

"The Health Robbers' Offer on RX for Quack Medicine," Consumer Reports, February, 1977, Conference on Economic Progress, 1001 Connecticut Avenue, N. W., Washington, DC 20006.

List chronic ailments and serious diseases that are most frequently the objects of quacks (arthritis, cancer, obesity, baldness, etc.) and explain why.

Protecting Family Health and Security, Modern Consumer Education Center, Grolier Education Corporation, Instructional Systems, 845 Third Avenue, New York, NY 10022.

List criteria to be used in selection of a qualified physician for consultation relative to a particular health problem.

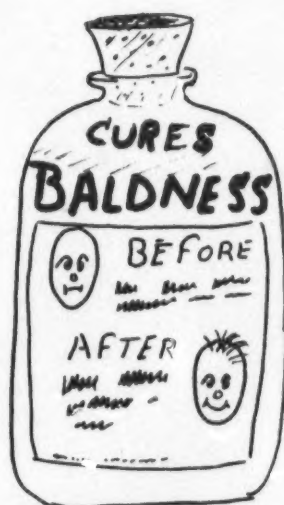


OBJECTIVES

be aware that some widely advertised and extensively used cosmetics are ineffective for the purpose for which purchased and may sometimes actually be hazardous.

recognize the importance of seeking qualified medical advice for significant weight loss/gain attempts.

critically evaluate testimonials for quick weight loss/gain schemes.



ACTIVITIES

Students will discuss: James is a good-looking young man with only one problem: his complexion is poor. He read a magazine advertisement that "skin peeling" treatments would improve a poor complexion. Should James take the treatment? What facts should be considered before he makes a decision?

Have students bring to class before and after pictures promoting baldness cures. Ask several students to find out from a medical person the true story of male pattern baldness.

Discuss: You bought a jar of face cream advertised to improve the appearance of your complexion. After using it, you found that your face was swollen. To whom do you complain?

Have a group of students research statements made by the Food and Drug Administration about the medicinal value of mouthwashes.

Have students write and then role play an advertisement for improving physical appearance.

Write a paragraph describing several myths and hazards of cosmetics.

Have a qualified medical person explain and discuss with the class major reasons and causes of overweight/underweight and appropriate remedies for each.

"You are young, you are in normal health, you want to look attractive and you are overweight/underweight." List and/or bring to class advertisements that might interest you concerning the above statement.

Ask students to relate experiences of which they are personally aware of weight-losing/gaining hoaxes.

Have students list at least three highly advertised weight-reducing products or devices and techniques; then for each product give various reasons why consumers respond to such ads, and summarize hazardous aspects of each of the three products, techniques, or devices.

Have students collect as many different ads (pictures of weight control schemes) as possible. Make a collage of the pictures. Discuss the believability of the claims as depicted in the pictures.

To determine the magnitude of the weight-control business, have a group of students go to a drug store or supermarket and list the number of these products available for sale.

EVALUATION

RESOURCES

List at least three widely used cosmetic products for men and three for women and:

1. Give reasons why people purchase each product.
2. Summarize some of the hazards sometimes associated with the product.
3. Respond to the question "Would you continue to purchase and use a product if you are aware of possible harmful effects from its use? If so, why?"

"What the Quacks are Peddling Now," June 21, 1976, U. S. News and World Report, P. O. Box 2840, Greenwich, CT 06835.

What To Do With Your Bad Car: An Action Manual For Lemon Owners, Ralph Nader, Lowell Dodge, and Ralf Hotchkiss, Grossman Publishers, 625 Madison Avenue, New York, NY 10022.

Buyers Beware, Guidance Associates, 41 Washington Avenue, Pleasantville, NY 10570.

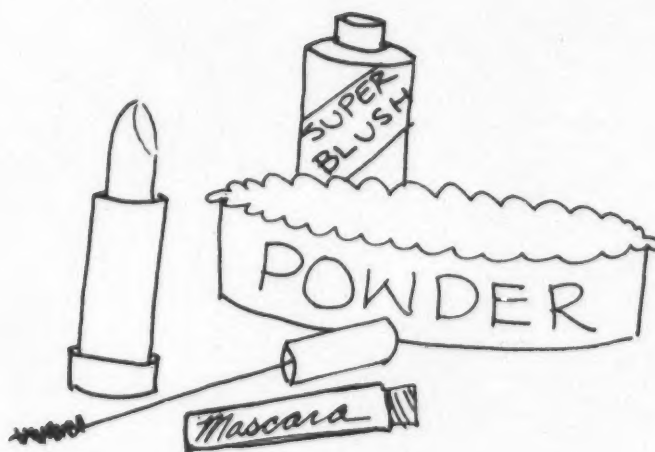
Let The Buyer Beware, Eye Gate House, 146-01 Archer Avenue, Jamaica, NY 11435.

Typical Gyps and Frauds, Changing Times Education Service, 1729 H Street, N. W., Washington, DC 20006.

Consumer Be Warned, Current Affairs, 24 Danbury Road, Wilton, CT 06897.

List valid reasons for seeking qualified medical help for significant weight loss or gain attempts.

Identify three health hazards for quick weight loss/gain schemes.



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OBJECTIVES

be able to identify fraudulent appeals of the health value of food supplements and certain organic foods.

recognize that while most over-the-counter drugs are harmless to a majority of people, many are ineffective and, therefore, not a wise consumer purchase.

ACTIVITIES

Have students do comparison shopping for differences in price of organic foods and vitamin supplements available at health food stores and similar items at drug stores and grocery stores.

Ask a student to interview a nutritional specialist about the value of supplemental vitamins, protein supplements, and health foods for the healthy person.

Participate in a debate: "Resolved that vitamin supplements are effective or ineffective."

Have students find out the approximate number of over-the-counter drugs available at a specific store. (FDA estimates between 150,000 and 500,000 three-fourths of which are not as effective as claimed).

Have students debate the issue "Resolved that drug effectiveness standards are needed for both prescription and over-the-counter drugs and should be closely regulated by the FDA."

Have students research and report on FDA findings concerning misleading advertising for several major pain relievers.

Discuss the statement: "The Federal Trade Commission reports 36 cents of every consumer dollar paid for the leading headache medicines goes for advertising." What does this mean to the consumer?

Have students write a TV ad for a new headache remedy. Role play the ad and ask the class to evaluate and compare credibility to those regularly seen on TV.

Have students explain in writing how drug production and distribution is controlled by regulatory agencies.



EVALUATIONS

Write a report of findings of comparison shopping at a health food store, drug store, and supermarket.

Make a list of readily available vitamin supplements and the health claims related to each.

Have students list where they would report suspected instances of quackery and tell why. (District Attorney, Food and Drug Administration, U.S. Postal Service (if mail involved), and Better Business Bureau.)

RESOURCES

Buyer Beware!, Guidance Associates, 757 Third Avenue, New York, NY 10017, (film).

Consumer Power in Whistleblowing, 7-AD, BFA Educational Media, 2211 Michigan Avenue, P.O. Box 1795, Santa Monica, CA 90406 (film).

Consumer Protection, Business Education Films, 5113 Sixteenth Avenue, Brooklyn, NY 11204.

You and the Law, Modern Consumer Education Center, same address as above.

Stop the Short Change Artist, Mafex Associates Inc., 111 Barron Avenue, Johnstown, PA 15906.



OBJECTIVES	ACTIVITIES
<u>Sales Pitches</u> recognize that promoting a product for sale is a sales pitch.	Make a collection of advertisements of products of questionable value and discuss in class. Discuss some typical sales pitches. List some methods used to attract our attention and encourage us to buy products.
<u>Appeals to Young People</u> recognize that certain ads are directed toward young people.	Collect advertisements that appeal to young people and discuss how these affect their purchasing of these products. Make a collage of advertisements for beauty aids and remedies, and reducing diets and pills. Bring in copies of automobile ads which are directed toward young people and discuss basis of appeal.
<u>Referral Sales</u> recognize the practice of referral sales which is illegal in Oklahoma Consumer Credit Code.	Emphasize that a door-to-door salesperson who asks for the names of relatives or friends is using referral selling when he/she promises to pay the person who gives the referral for every sale made. Have students relate instances of referral sales. Discuss techniques used in making referral sales and the performance of the product.
<u>Bait and Switch</u> recognize the practice of bait and switch.	Discuss the meaning of bait and switch (services or products advertised at ridiculously low prices and then the buyer is discouraged from buying them in favor of higher priced services or items). Have students interview parents regarding their experiences with bait and switch proposals. Discuss a newspaper article the students believe is most likely bait and switch.
<u>Bogus Contests</u> be able to recognize bogus contests for what they are.	Use the following case study as an example of bogus contests. Beverly Hill decided to fill out a contest blank on which all she needed to do was identify the leading characters of five motion pictures listed on the contest blank. The rules of the contest stated that if she were correct in all five answers, she would win a big prize. Shortly after mailing the letter, Beverly received a letter congratulating her on her being one of the lucky winners of the contest. Also, enclosed was another list of motion pictures for her to identify the leading characters. This list was much harder to identify than the previous list. For a small fee ranging from \$5 to \$25, she had a choice of prizes from \$500 to \$1,000. She decided, after examining the new list, to invest the minimum of \$5 since she thought she knew the answers. Sometime later, she received the third letter again stating that she was one of the lucky winners. (Continued in next activity)

EVALUATION

RESOURCES

Write a sales pitch and give it orally to the class. Critique the presentation.

Dollars and Sense, Troll Associates, 320 Route 17, Mahwah, NJ 07430, (film).

It's Everybody's Business, Oklahoma State University, Audiovisual Center, 216 Library, Stillwater, OK 74074, (film).

Prepare a list of products in which the advertiser specifically makes an appeal to young people.

From a list of different sales approaches, have students select those that are examples of referral sales.

Problems for Young Consumers, Sterling Educational Films, 241 East 34 Street, New York, NY 10016.

The Price Is Right or Is It? Sterling Educational Films, 241 East 34 Street, New York, NY 10016.

From the following list of types of stores, choose three and write a short paragraph on how bait and switch could be used to sell a product: clothing and dry goods, grocery or supermarket, electronic, and catalog order.

Have students list major indicators that a given contest is likely bogus.



OBJECTIVES

ACTIVITIES

Low-Balling

know that advertised low prices for service calls does not necessarily mean low cost for the total repair job.

High-Balling

be able to understand that transactions involving trading in an old car and seemingly being offered more than the old car is worth is an unscrupulous sales technique.

Pyramid (Multi-Level) Sales

realize that in pyramid sales, buyers obtain other buyers and get a percent from their membership.

Pigeon Drop

recognize a pigeon drop operation (similar schemes might be the pocketbook drop and the handkerchief switch).

Inspectors and Representatives

be able to recognize fly-by-night operators.

Home Improvement Swindles

recognize dishonest home repair practices.

This letter had the same contest that Beverly had gotten with the previous one. Beverly wrote asking for her \$500 prize. She received no answer. She wrote the company asking for a list of winners. She has not received an answer to date.

Have students relate their experiences with low charges and high cost of parts. Relate other examples to students.

Have students relate experiences with trading in automobiles and motorcycles.

Have three students take the same vehicle to three or more dealers and relate their experiences.

This is illegal in Oklahoma. It consists of investment opportunities which promise a very high yield and a quick return. Those at the top of the pyramid receive money quickly and those at the bottom find it impossible to profit. Have students set up a pyramid sales situation showing the multi-level profit.

Explain to the students that a pigeon drop is really a supposedly found large sum of money by a con artist who then convinces an innocent person that in order to share in the profits, he/she must put up good faith money until the "treasure" is returned by the police or shared by the finder. The good faith money is switched in the process by the con artist who disappears.

Obtain a case study of an actual pigeon drop operation and have students study and discuss.

Have two different students (one that seems knowledgeable about cars and one that does not) take the same car to two different service stations to see what is wrong. Compare.

Have a student call the Better Business Bureau and ask how to check license numbers for termite inspectors.

Compile a checklist you could take with you when having your car repaired.

Have students check with families and friends in home improvement swindles and relate their experiences.

Have students bring in home improvement advertisements from the newspaper. Critically review the advertisements.

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EVALUATIONS

RESOURCES

Have students list and explain questions they would first want answered (in writing) before making commitments for a repair job.

Give oral reports of findings from your activities.

Have students explain using a diagram how the initial investment may be recovered and how profits arise.

Write a short paragraph defining pigeon drop.

Name four things you would look for when choosing a reputable company.

Evaluate checklist.

The Poor Pay More, AFL-CIO Films for Labor, 815 Sixteenth Street, NW, Washington, DC 20006.

The Price of Credit, Guidance Associates, 757 Third Avenue, New York, NY 10017, (film).

Local police stations.



Avoiding Deceptive Selling Practices, Association of Home Appliance Manufacturers, 20 North Wacker Drive, Chicago, IL 60606.

OBJECTIVES

ACTIVITIES

Charity Swindles

understand that promoters often prey upon sympathies of people to raise funds and promotion fees may consume as much as 90% of the gifts.

Invite a representative of a reputable charity to discuss how the charity functions.

Discuss unscrupulous practices of some charities.

Mail Frauds

realize that cancel at any time or money cheerfully refunded from fly-by-night mail order operations does not assure cancellations or refunds.

Ask a postal inspector to speak to the class about mail frauds.

Have students clip ads from the newspapers and send off for merchandise. (Do not obligate students or send money.)

Have the class make up a bulletin board display of ads that may seem suspicious.

Confidence Schemes

be able to identify three or more confidence schemes.

Ask someone from the Better Business Bureau to speak to the class about confidence schemes.

Home Study Courses

recognize that some correspondence courses for training to become a writer, artist, or lawyer may not be advantageous.

Have students bring in advertisements from magazines and newspapers and discuss.

Distant Real Estate

understand that it may be unwise to invest in undeveloped, unseen property sold by unproven promoters.

Have a committee of students visit the Real Estate Board to get information and examples.

Ask a reputable realtor to speak to the class on the topic of risks involved in purchasing distant real estate.

Worthless Guarantees and Warranties

be aware of the difficulties in having warranties/guarantees honored.

Have students bring guarantees/warranties and discuss what the guarantee/warranty covers and does not cover.

Merchandise Clubs

be able to critically examine exaggerated claims and low prices of merchandise clubs.

Have students bring in ads from merchandise clubs and compare prices and products with reputable stores and companies.

Door-to-Door Sales

be aware of the three-day cooling off period.

Have the class obtain a copy of the law from the Department of Consumer Credit; use as a discussion or report to the class.

EVALUATIONS

RESOURCES

List four criteria for determining a worthy charity.

Select three of the following topics and critique the meaning of each:

1. Life-time guarantee
2. Absolutely free
3. Sign up now
4. Double your money guarantee
5. As low as
6. Special easy credit
7. Only one left

Identify and describe three confidence schemes.

Choose a home study course and explain why it might not be beneficial.

Explain why it is risky to invest in real estate you have not previously inspected.

List charges that are covered/not covered by a specific warranty or guarantee.

Prepare an oral or written report on merchandise clubs.

Foot In The Door, Filmfare Communications, 10900 Ventura Boulevard, Studio City, CA 91604.

Harry J. Woods Is At the Door, Communications Group West, 6335 Homewood Avenue, Suite 204, Hollywood, CA 90028.

Not You Too?! Communications Group West, same address as above.

This is Fraud, Filmfare Communications, same address as above.



CONSUMER ASSISTANCE AND PROTECTION

GOAL: Students should understand that they are ultimately responsible for their own protection in the marketplace and be knowledgeable of organizations available for their assistance.

Understanding: Local, State, and Federal Agencies that Affect the Consumer

OBJECTIVES	ACTIVITIES
The student(s) will:	
identify federal, state, and local consumer assistance organizations and explain the role of these organizations.	Invite a guest speaker from the Department of Consumer Credit in Oklahoma to speak on the functions of the Department.
be aware of how the Uniform Consumer Credit Code promotes regulation of credit for consumers.	Invite a representative from the district attorney's office to discuss consumer affairs in your area. Discuss with students and select a relevant consumer problem dealing with state government. Call the Capital Straight Line--1-800-522-8555.
identify various divisions of our legal system which provide protection for the consumer.	Divide students into groups and have them re-search the consumer affairs function in various federal agencies (Federal Trade Commission, Food and Drug Administration, Security Exchange Commission, White House Office of Consumer Affairs, etc.) Discuss: "Who pays for this protection?" Where is the trade-off between the cost and the protection provided? Discuss: Have the rules and regulations of these agencies (see above) gone too far or not far enough? Invite a pharmacist to speak to the class on state laws concerning filling of prescriptions. Discuss with the students the following laws: Oklahoma's Safety Glass Law is compatible with the Federal Architectural Glazing Law. Both of these laws were developed to reduce consumer injury (patio doors, shower tub enclosures, and plate glass windows in commercial buildings). Oklahoma's Hazardous Substances Law is compatible with the Federal Hazardous Substances Act, although not as broad. Each act was originally enacted basically to reduce injury from common household products (cleaning products). Oklahoma Bedding Law is to protect the consumer from unsanitary conditions and foreign objects (floor sweepings, tacks, etc.



EVALUATIONS

RESOURCES

Administer a teacher-prepared test.

Consumer Credit Counseling Service, Box 75405,
Oklahoma City, OK 73147.

Protection and the Law, G. F. Boher, McGraw-Hill
Book Company, 330 West 42 Street, New York,
NY 10036.

Consumer Survival Kit, "See You in Court!" and
"How to Use Small Claims Courts." Maryland Center
for Public Broadcasting, Owings Mills, MD 21117.

Match federal agencies with their functions.

Department of Consumer Credit, 460 Jim Thorpe
Building, Oklahoma City, OK 73105.

"Why You Need Consumer Know-How," Getting Your
Money's Worth, Group One, Society for Visual
Education, Division General, 1345 Diversey Park-
way, Chicago, IL 60614, (filmstrip).

The teacher should observe class discussion.

Consumer Survival Kit, Mrs. Elaine Pagano,
Frederick A. Praeger, Inc., 111 Fourth Avenue,
New York, NY 10003.

"Consumer Complaints--The Right Way," Alfred
Higgins Productions, 9100 Sunset Boulevard,
Los Angeles, CA 90069.

Food and Drug Administration, Suite 470-B,
500 South Ervay, Dallas, TX 75201.

Director, Office of Communications, Consumer
Product Safety Commission, Washington, DC 20207.

Consumer Protection Service, Oklahoma State
Department of Health, 1000 Northeast 10,
Oklahoma City, OK 73152.

Oklahoma Public Health Code, Article II. (see
address above)

Dallas Area Office, U. S. Consumer Product
Safety Commission, Room 1010, 1100 Commerce,
Dallas, TX 75242.



OBJECTIVES

ACTIVITIES



understand the complexity of consumer legislation.

become aware that local, state, and federal agencies as well as private and industrial sources test safety, quality, use, strength, and other characteristics of products.

recognize the responsibility of the consumer in selecting and (safely) using products.

Discuss with the students the reason for food protection laws. All food protection laws were developed to protect the individual consumer against the following:

1. Food poisoning
2. Filth
3. Vermin and rodents
4. Other unsanitary practices

Study and report on the process of food production on the farm.

Read and report on local, state and federal laws, regulations, and ordinances on food. Find out who enforces the food laws in Oklahoma.

Research and report on what is a food seller, manufacturer or processor.

Discuss and compare labels for misbranding. Example: The label is misbranded if it is an imitation of another food unless it bears the word "imitation" immediately after the name of the food.

Discuss what causes food-borne illness, and determine where to report food-borne illness incidents.

Assign students one recent or proposed piece of consumer legislation to read about and discuss with class members. Summarize the history of the problem which the bill is intended to correct. Should government intervene in this case? What are the major provisions of the legislation? Is it adequate, enforceable, fair, necessary, or practical?

Students are to analyze case studies indicating the legal steps consumers may take for their protection under the Uniform Consumer Credit Code.

Discuss with the students which governmental agencies test safety, quality, and other characteristics of consumer products (FDA and State Health Department--food; Consumer Product Safety Commission--product safety; etc.)

Discuss the following guidelines for safe use of a product.

1. Read labels.
2. Do not mix products that are not compatible.
3. Leave safety caps on the product.
4. Remember that flammable products are dangerous.
5. Be aware that toys have sharp edges, points, and make loud noises.
6. Adequate ventilation is necessary when using products that emit fumes.



Evaluate reports by students.

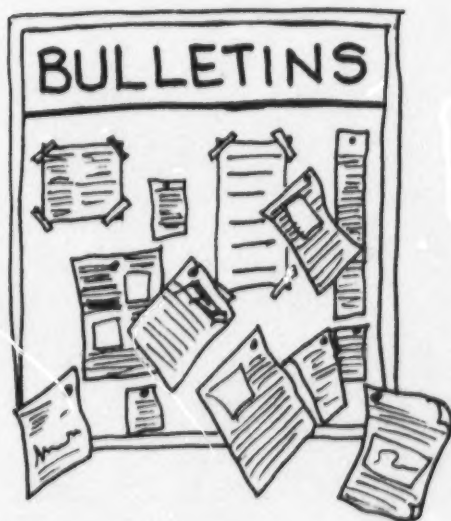
Capital Straight Line--1-800-522-8555.

Objective test should be given on identification of characteristics.

Oklahoma State Health Department, 1000 Northeast 10th, Oklahoma City, OK 73152.

Give objective test on guidelines.

OBJECTIVES	ACTIVITIES
understand the essential elements of a contract.	A bulletin board constructed by students will emphasize elements of a contract: offer and acceptance, competent parties, legal purpose, consideration, and proper legal form. Individual students could make posters displaying the same. Each student will list and explain briefly the essential elements required to make a contract enforceable. Discuss cases involving responsibility for debts of others, contracts for purchase of real property, installment contracts, etc.
understand the principles of <u>Caveat Emptor</u> and <u>Caveat Venditor</u> .	Class debate the topic: "Which exists today--Caveat Emptor or Caveat Venditor?" (Let the buyer beware--let the seller beware.)
be aware of the importance of reading warranties and understanding them.	Students are to obtain copies of warranties from several products and compare and discuss.
explain the difference between expressed and implied warranties.	Role play problems that can develop through failure to read and understand warranties. Bring warranties to class and identify which are implied and expressed.
identify ways in which the government assist and protect the consumer in meeting needs (local, state, and federal).	Compile a list of assisting agencies and protecting agencies and explain their function. Invite a resource person from the following: district attorney's office, city manager's office, Better Business Bureau office, or local consumer protection agencies. Have students prepare a bulletin board displaying pamphlets and brochures from consumer services in the local community. Role play a situation where government would step in and assist consumers in meeting needs. Discuss consumer protection laws. 1906 - Food and Drug Act. Guarded against unsafe and adulterated food and drug products. 1906 - Meat Inspection Act. Required that meat shipped in interstate commerce be processed and packed under wholesome and sanitary conditions. 1914 - Federal Trade Commission Act. Established the Federal Trade Commission. Declared "unfair methods of competition" to be illegal.



EVALUATION

RESOURCES

Teacher will check each student's list for accuracy.

Teacher should observe the class debate.

Make a comparison check of warranties from three manufacturers of the same product.

Define expressed warranty and implied warranty.

U. S. Office of Consumer Affairs, 521 Reporters Building, Washington, DC 20201.

"What is a Contract?" Coronet Films, 65 East South Water Street, Chicago, IL 60601.

The Installment Contract, Number 2951, Visual Education Consultants, Inc., Box 54, Madison, WI 53701.

Let the Buyer Prepare, Professional Services Division, Proctor and Gamble, 2150 Sunnybrook Drive, Cincinnati, OH 45237, (filmstrip and record).

Warranties: There Ought To Be a Law, Federal Trade Commission, Washington, DC 20580.

Office of the Secretary, Federal Trade Commission, Washington, DC 20580.

Magnison-Moss Warranty Act, available from the Federal Trade Commission, see address above.



OBJECTIVES

ACTIVITIES



- 1938 - Food, Drug, and Cosmetic Act. Amended Food and Drugs Act (1906), expanding jurisdiction of the Food and Drug Administration to include cosmetics and therapeutic devices, established standards of identity for food products.
- 1938 - Wheeler-Lea Act. Expanded the consumer protection activities of the Federal Trade Commission by amending the FTC Act to include "unfair or deceptive acts or practices."
- 1939 - Wool Products Labeling Act. Made fiber content labeling by percentages mandatory in products containing wool.
- 1951 - Fur Products Labeling Act. Established mandatory labeling requirements for fur products.
- 1953 - Flammable Fabrics Act. Outlawed the manufacture or sale of wearing apparel or fabric so highly flammable as to be dangerous.
- 1958 - Textile Fiber Products Identification Act. Required identification of the fiber content of clothing and textile fiber products.
- 1958 - Food Additive (Delaney) Amendment. Amended the Food, Drug and Cosmetic Act (1938) to require that only those food additives that do not cause cancer in man or animal be generally recognized as safe for human consumption.
- 1960 - Hazardous Substances Labeling Act. Controls the labeling of packages of hazardous household substances.
- 1962 - Kefauver-Harris Amendment. Amended Food, Drug and Cosmetic Act (1938) requiring that all drugs be tested for safety and efficiency.
- 1966 - National Traffic and Motor Vehicle Safety Act. Authorized the establishment of compulsory safety standards for automobiles and new and used tires.
- 1966 - Fair Packaging and Labeling Act. Regulated packaging and labeling of consumer goods. Provided for the voluntary adoption, by industry, of uniform packaging standards.
- 1966 - Child Protection Act of 1966. Amended the Hazardous Substances Labeling Act (1960) which became the Hazardous Substances Act that permitted banning of hazardous substances from the market and prevented marketing of potentially harmful toys and other articles used by children.

ACTIVITIES

- 1966 - Cigarette Labeling Act. Required health warning labels on cigarette packaging.
- 1967 - Flammable Fabrics Act Amendments. Broadened federal authority to set safety standards for flammable fabrics.
- 1967 - Wholesome Meat Act. Required upgrading of state meat inspection to meet federal standards, and the clean-up of unsanitary plants.
- 1968 - Wholesome Poultry Products Act. Required upgraded state poultry inspection to meet federal standards.
- 1968 - Consumer Credit Protection Act (Truth-in-Lending). Required full disclosure of terms and conditions of finance charges in consumer credit transactions.
- 1969 - Child Protection and Toy Safety Act of 1969. Amended Hazardous Substances Act (1966) broadening its coverage to provide for ban on toys and other articles used by children that posed electrical, mechanical, or thermal hazards.
- 1970 - Fair Credit Reporting Act of 1970. Amended Consumer Credit Reporting Act. Stated conditions for the maintenance and dissemination of consumer credit records.
- 1970 - Poison Prevention Packaging Act. Authorized the establishment of standards for child-resistant packaging of hazardous substances.
- 1972 - Consumer Product Safety Act. Established Consumer Product Safety Commission which assumed many FDA product safety standards for a broad range of consumer products and to levy penalties for failure to meet the standards.
- 1975 - Magnuson-Moss Warranty/Federal Trade Commission Improvement Act. Empowered the FTC specifically to make rules with respect to consumer product warranties. Provided for consumer redress, including class action. Expanded FTC jurisdiction to matters "affecting commerce" and increased its general rule-making powers with respect to unfair or deceptive acts or practices.
- 1975 - Equal Credit Opportunity Act. Makes it unlawful for a creditor to discriminate against any applicant for credit on the basis of race, color, religion, national origin, sex, or marital status, or age.

ACTIVITIES

- 1976 - Federal Consumer Leasing Act. Requires disclosures in consumer leases of personal property where the lease exceeds four months and the total contractual obligation does not exceed \$25,000.
- 1977 - Fair Debt Collection Practices Act. Prohibits a debt collector from spreading word about a consumer's personal affairs, and threatening consumer with violence, obscene language, or anonymous call. Requires a debt collector to cease collection of a debt and proceed to verify it if the consumer disputes the validity of the debt within 30 days.

CONSUMER PROTECTION LAWS IN OKLAHOMA

- Oklahoma Uniform Consumer Credit Code (1972 and 1980)
- Oklahoma Pawnshop Act (1972)
- Oklahoma Small Claims Act (1972)
- Oklahoma Landlord and Tenant Act (1978)



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HEALTH

GOAL: Students should acquire the knowledge for wise decision making as it relates to maintaining health.

Understanding: Proper Food Selection

OBJECTIVES	ACTIVITIES
The student(s) will:	
explain the economic importance of food buying and how it relates to nutrition and health of the family.	Arrange for a guest speaker to speak on nutrition and meal planning Analyze the school lunch menu for one week to determine nutrition obtained. Interview cooks to find out what foods are available; from this list try to write menus which would appeal to teenagers at the same cost or time expenditure. Compare also the cost of eating in the cafeteria or eating off campus.
identify foods that are considered to be non-essential.	Report in writing what foods can be considered as non-essential in that they do not contribute a cost share value of nutrients. Have students keep a record of the kind, quality, and quantity of all the food eaten during one week. Make a dietary analysis of pizza, hamburger, chili dogs, grilled cheese, doughnuts, cake, etc.
explain that food selection and preparation is influenced by family background, habits, composition of the family, and the region in which they live.	Students will research cultural and ethnic influences on food selection and preparation. Write a report on the importance of family background, habits, composition of family, and regional influences on food selection and preparation.

EVALUATION

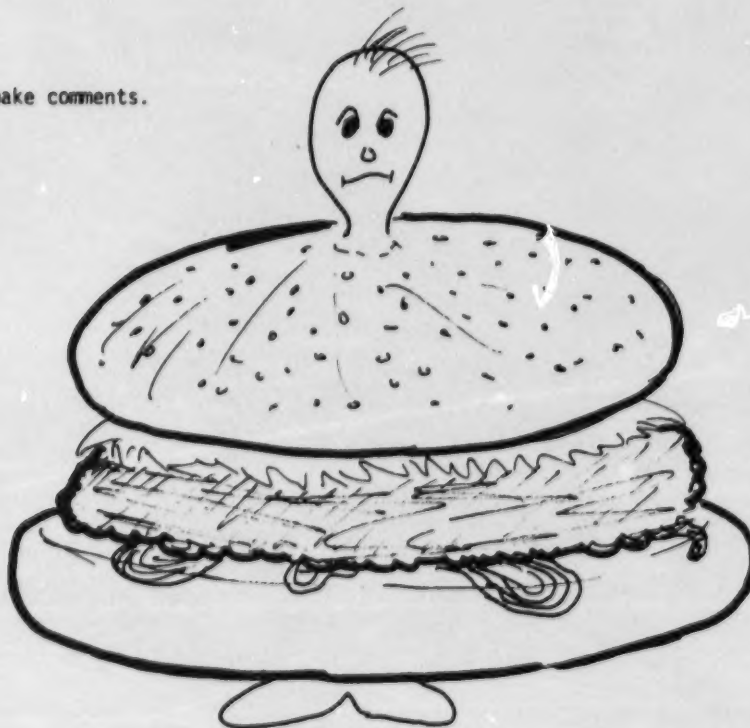
RESOURCES

Have students do a self evaluation using their weekly record of food intake, based on the food guide, then answer, "What foods should be added in what quantities to give an adequate diet?"

NET Program, School Lunch Section, Oklahoma State Department of Education, 2500 North Lincoln, Oklahoma City, OK 73106.

Teacher will read and evaluate with constructive comments.

Evaluate the reports and make comments.



Understanding: Health Services

OBJECTIVES	ACTIVITIES
explain the importance of having a good personal preventive health program.	Have each student prepare a guide for a personal health program. Arrange for an audiometer check and vision check for students. Arrange for a dental hygienist to speak to the class. Conduct a class discussion of the individual health programs to include general medical care, dental care, care of the eyes, and hearing.
identify emergency services in the community.	Have students investigate the procedure in your community for obtaining the emergency services listed below: 1. A physician (if you own doctor is not available) 2. Ambulance services 3. Poison antidotes Have students secure the proper emergency telephone numbers and check to make sure that these numbers are written down in their home near the telephone.
explain why expenditures for adequate health care are more difficult to plan for than any other item in the family's budget and relate to the need for health insurance.	Prepare a written report showing planning for adequate health care including a fund for minor unexpected expenditures, health insurance for hospitalization, and protection against the cost of a prolonged illness or disability. Determine family expenditures for all health services for the past two years. Show how number, size, and age of children effect costs of health services.
identify the dangers and costs of self-treatment and use of popular health cures and drugs.	Visit a pharmacy and compare the cost of generic vs. brand drugs. Discuss the importance of second and third opinions for major surgery. Examine case studies of situations in which self-treatment of illnesses and use of popular health cures led to further complications.

EVALUATION

Evaluate each student's guide for a personal health program.

Teacher evaluate reports.

List several dangers and costs that could result from self-treatment and use of popular health cures and drugs.

RESOURCES

March of Dimes, Birth Defects Foundation,
Central Oklahoma Chapter, 6051 N. Brookline,
Oklahoma City, OK 73112.

Drug Education Materials, Department of Mental
Health, P. O. Box 53277, Capitol Station,
Oklahoma City, OK 73152.

American Cancer Society, Oklahoma Division,
1312 N. W. 24, Oklahoma City, OK 73106.

Oklahoma Dental Association, 629 N. W. Expressway,
Oklahoma City, OK 73118.

Department of Health, Education, and Welfare,
Public Health Service, Alcohol, Drug Abuse
and Mental Health Administration, 5600 Fishers
Lane, Rockville, MA 20852.

Oklahoma Lung Association, 2442 N. Walnut,
Oklahoma City, OK 73106.

Blue Cross-Blue Shield, 1215 South Boulder,
Tulsa, OK 74119 or P. O. Box 60545, Oklahoma
City, OK 73146.

State Health Department, Box 53551, Oklahoma
City, OK 73152.

American Heart Association, P. O. Box 11376,
Oklahoma City, OK 73111.

American Red Cross, Safety Services, 323 N. W.
10, Oklahoma City, OK 73103 or 2234 South
Harvard Avenue, Tulsa, OK 74145.



CAREER DECISIONS

GOAL: This unit should assist students in conducting an occupational and self-analysis.

Understanding: Self

OBJECTIVES	ACTIVITIES
The student(s) will:	
assess his/her interest by using a self-scoring interest test.	First, check with the guidance counselor to see if an interest test has been given. Some of the most popular tests are: Ohio Vocational Interest Survey, Jackson Vocational Interest Test, Kuder, Minnesota Vocational Interest Inventory, and the Strong Campbell.
understand how mental abilities relate to the world of work.	Relate that people are born with different abilities. Talk about the importance of grades and the academic requirements of the following occupations: doctor, construction worker, farmer, truck driver, assembly line worker, etc.
recognize the fact that we all have different aptitudes.	Check with the guidance counselor about tests such as the Differential Aptitude Test (DAT). Discuss with the students that aptitudes are special abilities. They include verbal reasoning, numerical ability, abstract reasoning, clerical speed and accuracy, mechanical reasoning, space relations, spelling, and language usage.
recognize the importance of getting along with people which is a priority in work.	Discuss how the following will affect getting a job: being shy, diplomatic, enthusiastic, courteous, sociable, assertive, responsible, flexible, self-directed, cooperative, sensitive, competitive, conforming, approval seeking, domineering, jealous, impatient, etc.
become aware of the importance of forming a positive self-concept.	Discuss the dignity of work and its relationship to self-concept. Teacher presents topic of career goals and their relationship to self-concept. Have students prepare a self-evaluation outline. Have students start a personal resume to be modified as they complete this unit. From the following, list five characteristics of a positive self-concept: affectionate, alert, appreciative, awkward, tittering, calm, careless, cheerful, confident, conscientious, cooperative, cruel, gloomy, hostile, intolerant, irresponsible, kind, mannerly, nagging, obnoxious, organized, pleasant, quarrelsome, resentful, selfish, snobbish, unfriendly, whinny, shiftless, etc. Develop or obtain a self-analysis form and discuss.

EVALUATION



List traits needed to get along on the job.

Evaluate outlines.

Evaluate resumes.

Write a summary of how job success and personal traits go together.

RESOURCES

An interesting and easy to score test known as COPS can be obtained from Edits Publishers, Box 7234, San Diego, CA 92107.

Another interest test that the instructor might want to consider is the Gordon Occupational Check List, Harcourt, Brace and World, Inc., 757 Third Avenue, New York, NY.

CAPS is a self-scoring aptitude test that can be obtained from Edits Publishers, Box 7234, San Diego, CA 92107.

Contact an Army recruiter and ask if an aptitude test called Asvab test can be given free of charge.

Walt Disney career films.

Mary Anderson, Business Education Specialist, State Department of Education, Oklahoma City, OK (self-awareness handouts).

Values: What is Important to You, Extension Bulletin E-648, Cooperative Extension Service, Michigan State University, East Lansing, MI 48823.

Values Clarification, by Simon, Howe, and Kirschenbaum, Hart Publishing Company, New York, NY.

Meeting Yourself Halfway, by Sidney Simon, Arjes Publications, Niles, IL 60648.

Why Not, by Jim Ballard, Mandala, Box 796, Amherst, MA 01002.

Skills in Life Career Planning, by Karl Bartsch, Wadsworth Company, Belmont, CA 94002.

OBJECTIVES

ACTIVITIES

understand how values are developed and how they might influenced what you do on the job.

Conduct a class discussion relating to the following values: Health, love, loyalty, physical appearance, altruism, pleasure, self-realization, honesty, creativity, power, achievement, justice, aesthetics, religious faith, wealth, wisdom, emotional well-being, knowledge, recognition, respect, skills, ethics, etc.

Understanding: Occupational Analysis and Job Factors

become aware of the importance of using the interest test and identified occupations to analyze occupational factors.

Compare and contrast the following factors with jobs which have a significant interest: Money/economic, status/prestige, geographic location, mobility, advancement, educational maintenance, work environment, availability of jobs, hours, benefits, leisure time, stress, variety of work, working with people, data, or things, etc.

Understanding: The Significance of Work Attitudes

analyze the importance of the attitude toward work.

Invite a businessperson in to discuss the importance of positive work attitudes.

Discuss: responsibility, ambition, maturity, self-sufficiency, compliance, authority, job satisfaction, job success, initiative, honesty, dependability, appearance, persistence, direction, congeniality, etc.

Have class suggest several different personality traits and discuss why each is important to job success.

Analyze some jobs in terms of traits needed for success. For example:

1. Electrician
2. Secretary
3. Doctor
4. Farmer
5. Service repairman
6. Salesperson
7. Minister
8. Lawyer
9. Teacher

Use a check sheet to discuss how school subjects and jobs are related.

Have students write a short paragraph which includes possible life goals and why they would choose them.

Prepare bulletin boards on self-awareness and life goals.

Discuss with students short-, intermediate-, and long-term goals.

Ask each student to note ten things they would like to get out of life.



EVALUATIONS

Short essay test on the importance of some of the stated values.

RESOURCES

Up Your Career, Waveland Press, Prospect Heights, IL.

Life Work Planning, McGraw-Hill Book Company, New York, NY.

Where Do I Go From Here With My Life by John Crystal, The Seabury Press, 815 Second Avenue, New York, NY 10017.

Directors: A Guide to Career Planning, Houghton Mifflin Company, 110 Tremont Street, Boston, MA 02107.

Career and Life Planning Guide, Follett Publishing Company, 1010 West Washington Boulevard, Chicago, IL 60607.

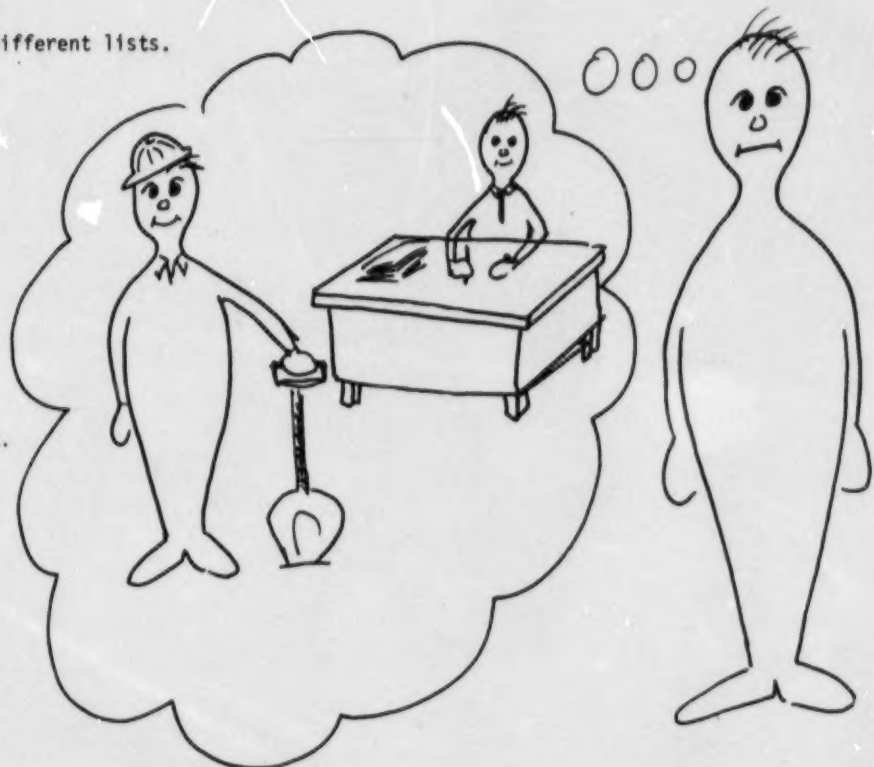
Knowing Yourself by Will Kidwell, a career core competency by the Gregg Division of McGraw-Hill Publishing Company, 330 West 42 Street, New York, NY.

A list of free and low cost materials (approximately 1600) can be obtained from Gary Green, College of Education, University of Oklahoma, Norman, OK 73019.

Teacher-made tests using the different lists.

Evaluate students' check sheet.

Evaluate students' paragraph.



Understanding: Career Information

OBJECTIVES	ACTIVITIES
understand how to use career information.	Ask students to locate the jobs in which they have an interest. Write a paper on a chosen career, using data from reliable sources.
develop proficiency in utilizing career information sources.	Show students how to use available sources of information about job opportunities. Show students how to obtain information about job requirements of a chosen career. Have each student select two potentially satisfying careers and write a report showing relationships of interest, skills, abilities, and job requirements. Have students take one major occupational area such as professions. Write up five summaries on related occupations. Explain to the students the meaning of life style and standard of living.

Understanding: Career Expectations

be aware of ways in which career choices and career activities affect lifestyle. (How we live, our leisure time, our value systems, the kinds of people we associate with, how we vote, etc.)



Discuss career selection in relation to: personal values and goals, standard of living, work location, work conditions, job security, off job requirements (if any), cost of family living, etc.

Discuss work week (40-hour, 30-hour, 26-hour,) and choices available for using residual time.

Discuss satisfying ways to use leisure time--compare as to cost, benefit to family, benefit to society, etc.

Have "buzz" groups on leisure time activities if schools and/or work were on a four day week. Have reports prepared by groups--include comments on cost, transportation, production, etc.

Discuss avocations which would be compatible with selected career choices.

Ask students to discuss their hobbies and how they are related to career goals.

Discuss types of service activities individuals can engage in to help others in society.

Discuss how to use personal and job skills for volunteer work for different community groups.

EVALUATIONS

RESOURCES

Evaluate paper.

Occupational Outlook Handbook

Dictionary of Occupational Titles

Your School Record Is Important, Guidance Associates, P.O. Box 5, Pleasantville, NY 10570.

Vocational Biographies, Box 31, Sauk Centre, Minnesota 56370.

Freestyle Magazine, Community Television of California, 4401 Sunset Boulevard, Los Angeles, CA.

Evaluate report and summaries.

Business World for Women/Business World for Men, University Communications, 37 West Cherry Street, Rakway, NJ 07065.

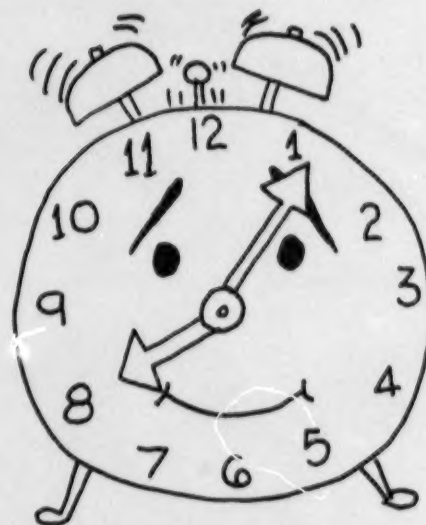
Free samples of Job Scene, United Feature Syndicate, Inc., 200 Park Avenue, New York, NY 10017.

Occupations in demand, contact Oklahoma Job Service, Oklahoma City, OK or local services.

Sourcebook, Department of the Army, HQ U. S. Army Recruiting Command, Fort Sheridan, IL 60037.

Write a paper on how career choices and career activities affect lifestyle.

Give reasons for planning and budgeting time in a teacher-prepared test.



OBJECTIVES

Identify the importance of planning and budgeting for leisure time.



be aware of the need for the wise use of leisure time--in the future--when the amount of time at work decreases.

be aware of various reasons for the need to develop a hobby early in life with consideration given to the importance of such an interest when one retires.

Understanding: World of Work Awareness/Reality

be aware that intelligent decision making must be based on valid, reliable information.



ACTIVITIES

Have the class consider and discuss no-cost leisure activities and how these compare with the more expensive forms of recreation.

Have students write a brief paper concerning their leisure time activity and what it means to them.

Have students compile a list of ways to save money when engaged in leisure time activities, including dates.

Ask students if they plan to buy an item or service for leisure time use in the near future. Consider the following:

1. Can the activity be purchased?
2. What will be the approximate cost?
3. Will they need additional supplies and/or replacement parts?
4. Where can they obtain helpful information before they buy the item or service?

Discuss: "When selecting entertainment equipment, should the availability of repairs and/or replacement parts be an item for consideration?"

Write a report on the "Wise Use of Leisure Time in the Future."

Ask each student to bring in a hobby and discuss cost, interest, and value of the hobby.

Discuss problems encountered in deciding about work without factual data, but with opinions, emotions, stereotypes, etc.

Research and explore a career choice by listing items to be studied in a job analysis--then discuss these reports as better approaches for exploring possible career choices.

Have students bring documents which give job listings, job descriptions, working environments, etc.

Ask a personnel director to speak to the class about factors to be considered before selecting a job.

Explain factors affecting career selection (interests, abilities, skills, education, present goals, future goals, job requirements, employment opportunities, status, income, peer pressure, parental pressure, etc.).

EVALUATIONS

RESOURCES

Evaluate the paper and lists.

List six reasons for the need to develop a hobby early in life with consideration given to the importance of such an interest when one retires.

Teacher reads papers and makes constructive comments.

Administer an essay test on decision making.

Careers of the 80's, Christian Science Monitor, Box 125, Astor Station, Boston, MA 02123.

Real World, King Features Syndicate, Editorial and Business Offices, 235 East 45th Street, New York, NY 10017.

Career World, Curriculum Innovations, 501 Lake Forest Avenue, Highwood, IL 60040.

Careers, Institute of Scrap Iron and Steel, 1627 K Street, N. W., Washington, DC.

Bread and Butter Flies, Agency for Instructional Television, Box A, Bloomington, IN 47401.

The World of Work, General Electric, Department G-4, Fairfield, CT 06431.

A Guide for Occupational Exploration, U. S. Department of Labor, Washington, DC 20202.

How to Find a Job, Oklahoma State Department of Vocational and Technical Education, Stillwater, OK 74078.



OBJECTIVES

ACTIVITIES



Have students in the class who are employed give an oral report describing their work and the duties they perform.

Discuss the importance of good health, eating and sleeping habits, exercise, and general personal care in relation to job success.

Have students analyze in terms of physical characteristics such as eyesight, hearing, coordination, etc. what qualities would be needed in the following jobs:

1. Farmer
2. Truck driver
3. Secretary
4. Fireman
5. Nurse
6. Lawyer
7. Policeman
8. Teacher
9. Mechanic
10. Engineer
11. Newscaster
12. Carpenter

Ask a counselor to discuss college requirements.

Understanding: Job-Entry/Mobility Requirements

explain why education is a continuous and life-long process.

Have individual students investigate education requirements and opportunities related to their career choice and determine cost of achieving career qualifications. Have students report on findings.

Investigate types of education and training (public or private) available to adults through field trips and guest speakers.

Debate the statement: "Education is a life-long process."

Identify various sources of assistance for financing post-high school education.

Have students investigate avenues for financial assistance in continuing education after high school.

Have students give oral reports on the career of their choice, including education requirements.

be aware of educational and skill levels required for major career categories.

Discuss occupations that existed in your grandparents time that do not exist now. What jobs do you expect in the future that do not now exist? Discuss need and importance of being able to adapt to change.

Compare by writing an essay on one specific job: past, present, and future.

Go Hire Yourself an Employer by Richard Irish,
Anchor Books, Garden City, NY.

Your Career by Richard Buskirk, New York
Library, Box 999, Bergenfield, NJ 07021.

Distinguish levels of training needed for at
least three career choices of particular
interest to the student.



Check the completeness of findings.

Evaluate reports.

Match three major career categories to the
educational and skill levels required.



OBJECTIVES

ACTIVITIES



recognize and appreciate the attitudes necessary for meeting employer expectation.

be aware of factors which contribute to job satisfaction.



Have students look up the following terms and define them:

1. On-the-job training
2. Apprenticeship
3. Blind-alley or dead-end jobs
4. Worker
5. Skills
6. Production
7. Distribution
8. Consumption
9. Fringe benefits
10. Self-employed
11. Part-time jobs
12. White-collar jobs
13. Blue-collar jobs
14. Service occupations
15. Manual occupations
16. Career
17. Job
18. Task
19. Work
20. Manipulative
21. Dexterity
22. Para-professional
23. Professional
24. Cost of living index

Have students make a list of the specific training or education required for the two jobs they are interested in and make a list of the schools offering this training, the educational requirements, special tests, interviews, and required subjects.

Have students prepare posters for bulletin board and/or reports on the rewards, benefits, values, and lifestyle wanted and expected from the job of their choice.

Divide class into groups of five and discuss (followed by written report) the function of work related to the following:

1. Personal satisfactions
2. Social needs
3. Workers as human beings
4. Use of workers' skills
5. Fulfilling workers' human potential
6. Vertical mobility
7. Horizontal mobility
8. Additional skills required by technology

Interview three friends who "love their jobs" and list the factors which result in job satisfaction for them.

Secure a panel and have them discuss jobs, job satisfactions, and job frustrations.

EVALUATIONS

Have students select a career of individual interest and write a paper discussing how the career has changed through the years, including education and skills required, expectations of the career, and monetary returns associated with the career.

RESOURCES

Questions Frequently Asked During The Employment Interview, available from New York Life Insurance Company agents.

Evaluate lists.

List four factors which contribute to job satisfaction.



OBJECTIVES	ACTIVITIES
be aware of factors which contribute to job dissatisfaction.	Discuss with the students factors which contribute to dissatisfaction in a career. Some people "hate their jobs" and have a "boxed in feeling." Discuss why and how they could make it better. Brainstorm in small groups for ten minutes about factors which contribute to job dissatisfaction, then reverse and brainstorm about factors which contribute to job satisfaction.
match expected income levels with specific career occupations.	Ask a guest speaker (personnel director, employee relations director, etc.) to discuss the importance of human relations skills on the job. Invite an area representative of the Oklahoma State Employment Security Commission to discuss the importance of career planning, teenage and minority employment problems, unemployment, unemployment compensation, workers' compensation, job opportunity projections, and college vs. other forms of career preparation.
analyze the take-home pay of any job for which the student applies.	Distinguish between gross pay and take home pay. Discuss various deductions found on a payroll check stub and how payroll deductions are computed.
demonstrate awareness that income from employment is a form of financial security and that employee benefits contribute to financial security.	Invite a guest speaker to discuss employee benefits and point out financial implications of payroll deductions. Obtain sample paychecks; read, interpret, and point out: 1. Gross pay 2. Take-home pay 3. Involuntary deductions 4. Voluntary deductions (numerous options) Prepare a budget for a family of four using the salary of a selected vocation. Compare benefits of a two-income vs. a one-income family.
Understanding: Getting the Job and Keeping it be able to follow proper procedures in applying and interviewing for a job.	Discuss the need for continuous education as an essential for job mobility and keeping abreast of change. Have students discuss what they interpret is meant by the concept of job and work. Discuss good school study habits.

EVALUATIONS

List five factors which contribute to job dissatisfaction.

Have students write a short reaction essay on what they have learned about their career choice, expected income level, and the kind of lifestyle it may provide.

Have students analyze a simulated earning record.

Discuss how employee benefits contribute to financial security.

Prepare a checklist of attitudes necessary for meeting employer expectations.

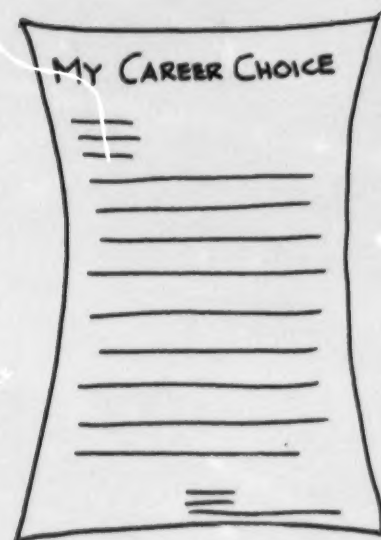
RESOURCES

If You Don't Know Where You're Going, You'll Probably End Up Somewhere Else by David Campbell, Argus Communications, Niles, IL.

Job Hunting Secrets and Tactics by Kirby Stanat, Follett Publishing Company, 1010 West Washington Street, Chicago, IL 60607.

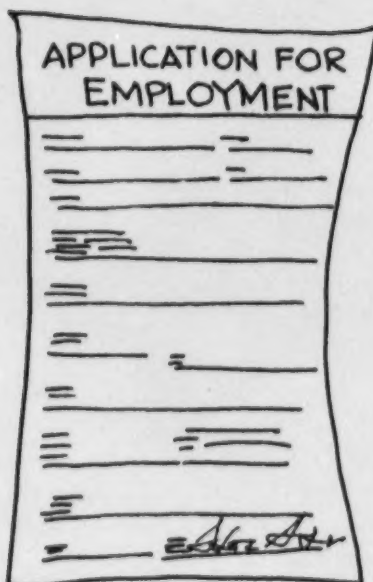
Job Search Guide, Career Planning and Placement, 900 Asp Avenue, Suite 329, Norman, OK 73019.

How to Pass Employment Tests, Arco, 219 Park Avenue South, New York, NY 10003.



OBJECTIVES

ACTIVITIES



Identify some frequent areas of difficulties between employers and employees.

Have a panel of employers present a question and answer session covering employers' expectations relating to: manners, dress, work habits, attitudes, school record, attendance, experience, education, personality, cooperation, pride, and honesty.

Plan a field trip to businesses in your area that employ students and recent graduates.

Select various work environments, and discuss relative work attitudes which might be expected to exist.

Ask several resource persons from different jobs or occupational groups to discuss various work attitudes.

Develop a list of the ten most common reasons for hiring and firing.

Ask a panel of local business people to discuss:

1. Application forms
2. Resumes and letters of application
3. Dress requirements
4. Interview and testing procedures

Discuss and complete sample applications, letters of application, and resumes.

Clip want ads for jobs and write letters of application with resume in response to ads. Stress importance of stationery and neatness.

Set up various kinds of employable situations and have students role play job applicants with varying qualifications. After the mock interviews, have classmates decide who should get a job. Discuss factors important in the interview. (Give each student an opportunity to play an employer and prospective employee.)

Discuss the difference between a recommendation and a reference.

Ask a business person or personnel officer to critique the students in role-playing sessions.

Point out factors that influence the success or failure of a job interview.

Discuss appropriate grooming practices and dress standards for various types of job interviews.

Divide class into groups to investigate case studies involving conflicts between workers and employers or among workers.

Discuss three-shift operation.

Make a personal data sheet.

Write a letter of application.

Have each student report on the field trip and discuss highlights of learning which resulted from the trip.

Have a job interview (role play).

Follow-up letter on the above interview.

Have students place in sequence the proper procedures in applying for a job.



OBJECTIVES

ACTIVITIES

Have class use information gathered in investigations to develop skits, role play situations, or write reports. Emphasize the important role of attitudes in job success.

Write, visit, or invite persons from management levels of large companies to:

1. Discuss training and education programs for their employees.
2. Clarify criteria used for employee evaluation (performance ratings).
3. Identify most frequent causes of employee termination.
4. Clarify basis for employee promotions.

Follow with class discussion on performance rating scales for employees on probation prior to tenure employment and for those being rated for salary increases.

Discuss criteria used as a basis for promotion:

1. Merit (ability)
2. Seniority
3. Automatic

recognize the responsibilities of the employee to the employer, the employer to the employee, and the employee to fellow workers.

Discuss with the students the responsibilities of an employee and employer.

Discuss healthy attitudes toward work situations.

Conduct small group discussion on the qualities most likely to have a favorable influence on job advancement.



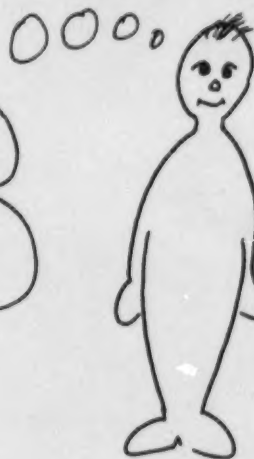
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EVALUATIONS

RESOURCES

Give teacher-prepared test.

How to Find and Apply for a Job, Southwestern
Publishing Company, 11310 Gemini Lane,
Dallas, TX.



List responsibilities using three columns:
Employer, Employee, and Fellow Workers.



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Evaluation

Please help us do a better job for you. Your response to the following evaluation will assist the State Department of Education in preparing more effective materials in the future.

1. Check grade level in which you used these materials and specify subject area(s) for each level checked:

_____ 1st _____ 7th
_____ 2nd _____ 8th
_____ 3rd _____ 9th
_____ 4th _____ 10th
_____ 5th _____ 11th
_____ 6th _____ 12th

2. Please rate this guide in terms of the following items and circle the number which best expresses your evaluation of this guide.

USEFULNESS

1	2	3	4	5
Not Useful				Very Useful

COMPREHENSIVENESS

1	2	3	4	5
Limited				Extensive

DEPTH

1	2	3	4	5
Shallow				Comprehensive

FORMAT AND ORGANIZATION

1	2	3	4	5
Poor				Excellent

3. The units:

USABILITY

1	2	3	4	5
Difficult				Easy

CLARITY

1	2	3	4	5
Unclear				Clear

COVERAGE

1	2	3	4	5
Narrow				Broad

4. Activities:

USABILITY

1	2	3	4	5
Low				High

STUDENT INTEREST

1	2	3	4	5
Low				High

APPROPRIATENESS TO LEARNING

1	2	3	4	5
Inappropriate				Highly Appropriate

5. The guide (overall):

EFFECTIVENESS

1	2	3	4	5
Low				High

6. The most positive feature(s) of the guide:

7. The weakness of the guide:

8. Recommendations/suggestions for improvement of the guide:

9. Specify additional content needed, instructional activities used effectively, highly useful resources, etc.

Return To:

Business Education Specialist
State Department of Education
2500 N. Lincoln Blvd.
Oklahoma City, OK 73105